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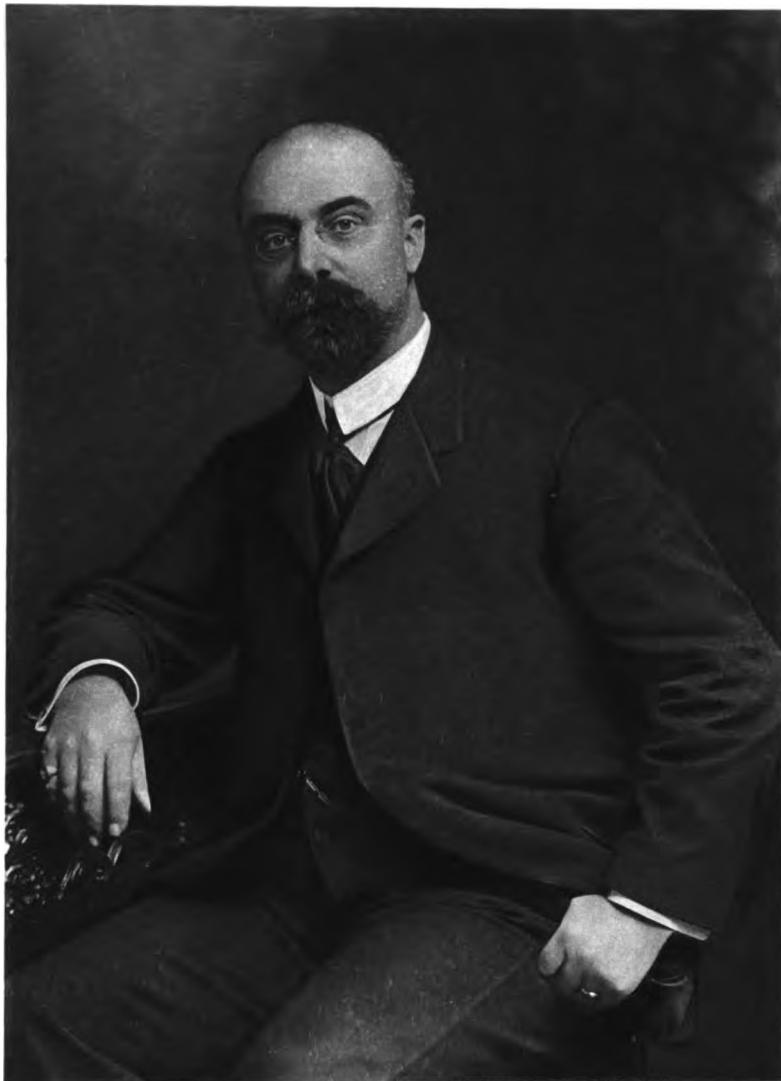
Proceedings of the American Street and Interurban Railway Association

American Street and Interurban Railway Association



**Library
of the
University of Wisconsin**

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A handwritten signature in black ink, appearing to read "G.S. Shringi". The signature is fluid and cursive, with a large, sweeping flourish at the end.

PRESIDENT 1906—1907
C. L. S. TINGLEY, 2D VICE-PRESIDENT
THE AMERICAN RAILWAYS CO.
PHILADELPHIA, PA.

PROCEEDINGS
OF THE
AMERICAN STREET AND INTERURBAN
RAILWAY
ACCOUNTANTS' ASSOCIATION

1907

CONTAINING A COMPLETE REPORT
OF THE ELEVENTH ANNUAL CONVEN-
TION HELD AT THE CHALFONTE
HOTEL, ATLANTIC CITY, N. J.,
OCTOBER 15, 16, 17, 1907

PUBLISHED BY THE
AMERICAN STREET AND INTERURBAN RAILWAY ASSOCIATION
FROM THE OFFICE OF THE SECRETARY
29 WEST 39TH STREET, NEW YORK, N. Y.

**THE NAME OF THIS ASSOCIATION WAS FORMERLY THE
STREET RAILWAY ACCOUNTANTS' ASSOCIATION OF
AMERICA.**

ORGANIZED AT CLEVELAND, OHIO, MARCH 23-24, 1897.

REORGANIZED AT PHILADELPHIA, PA., SEPTEMBER 29, 1905.

J. B. LYON COMPANY, PRINTERS, ALBANY, N. Y.

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OFFICERS, 1906-1907.

(Officers of the 1907 Convention.)

PRESIDENT:

C. L. S. TINGLEY,

Second Vice-President, The American Railways Co.,
PHILADELPHIA, PA.

FIRST VICE-PRESIDENT:

J. H. NEAL,

Auditor Disbursements, Boston Elevated Railway Co.,
BOSTON, MASS.

SECOND VICE-PRESIDENT:

FRANK R. HENRY,

Auditor, United Railways Co. of St. Louis,
ST. LOUIS, MO.

THIRD VICE-PRESIDENT:

C. L. WIGHT,

Auditor, Des Moines City Railway Co.,
DES MOINES, IOWA.

SECRETARY-TREASURER:

ELMER M. WHITE,

Treasurer and Auditor, Birmingham Railway, Light
& Power Co.,
BIRMINGHAM, ALA.

EXECUTIVE COMMITTEE:

THE OFFICERS AND

- W. B. BROCKWAY, General Auditor, Nashville (Tenn.) Railway &
Light Co., Yonkers, N. Y.
H. T. BUNN, Treasurer and Auditor, Knoxville Railway and
Light Co., Knoxville, Tenn.
A. STUART PRATT, Treasurer, Stone & Webster Cos., Boston, Mass.
H. S. SWIFT, Secretary and Auditor, Toledo Railways and Light Co.,
Toledo, Ohio.

OFFICERS, 1907-1908.

(Elected at the 1907 Convention.)

PRESIDENT:

FRANK R. HENRY,

Auditor, United Railways Co. of St. Louis,
ST. LOUIS, MO.

FIRST VICE-PRESIDENT:

R. N. WALLIS,

Treasurer, Fitchburg & Leominster St. Ry. Co.,
FITCHBURG, MASS.

SECOND VICE-PRESIDENT:

W. H. FORSE, Jr.,

Secretary and Treasurer, Indiana Union Traction Co.,
ANDERSON, IND.

THIRD VICE-PRESIDENT:

S. C. ROGERS,

Treasurer and Auditor, Mahoning & Shenango Ry. & Lt. Co.,
YOUNGSTOWN, O.

SECRETARY-TREASURER:

ELMER M. WHITE,

Treasurer and Auditor, Birmingham Railway, Light
& Power Co.,
BIRMINGHAM, ALA.

EXECUTIVE COMMITTEE:

THE OFFICERS AND

C. L. S. TINGLEY, Second Vice-President, The American Rail-
ways Co., Philadelphia, Pa.

A. L. LINN, Jr., General Auditor, The Mohawk Valley Lines,
New York, N. Y.

A. R. PATTERSON, General Auditor, Savannah (Georgia) Electric Co.,
Boston, Mass.

H. E. WEEKS, Secretary-Treasurer, Tri-City Railway Co.,
Davenport, Iowa.

COMMITTEES, 1906-1907.

Standard Classification of Construction and Equipment Accounts and Form of Report.

Wm. F. HAM, *Chairman*, Comptroller, Washington Railway and Electric Co., Washington, D. C.

H. L. WILSON, Auditor, Boston Elevated Railway Co., Boston, Mass.

FRANK R. HENRY, Auditor, United Railways Co., of St. Louis, St. Louis, Mo.

Wm. G. McDOLE, Auditor, Cleveland Electric Railway Co., Cleveland, Ohio.

C. N. DUFFY, Comptroller, The Milwaukee Electric Railway & Light Co., Milwaukee, Wis.

International Standard Form of Report.

HENRY J. DAVIES, *Chairman*, Secretary, Cleveland Electric Railway Co., Cleveland, Ohio.

W. G. Ross, Managing Director, Montreal Street Railway Co., Montreal, Quebec.

FRED E. SMITH, Auditor, Chicago Union Traction Co., Chicago, Ill.

Collection of Blanks and Forms.

ELMER M. WHITE, Treasurer and Auditor, Birmingham Railway, Light & Power Co., Birmingham, Ala.

PRESIDENTS OF THE ASSOCIATION SINCE ORGANIZATION.

1897.....	H. L. WILSON.
1897-8.....	H. L. WILSON.
1898-9.....	J. F. CALDERWOOD
1899-1900.....	C. N. DUFFY.
1900-01.....	WILLIAM F. HAM.
1901-02.....	H. C. MACKAY.
1902-03.....	HENRY J. DAVIES.
1903-04.....	F. E. SMITH.
1904-05.....	W. G. ROSS.
1905-06.....	W. B. BROCKWAY.
1906-07.....	C. L. S. TINGLEY.

CONVENTIONS OF THE ASSOCIATION SINCE ORGANIZATION.

1897 — Cleveland, Ohio.....	March 23-24
1897 — Niagara Falls, N. Y.....	October 19-22
1898 — Boston, Mass.....	September 6-9
1899 — Chicago, Ill.....	October 17-20
1900 — Kansas City, Mo.....	October 16-19
1901 — New York City.....	October 9-11
1902 — Detroit, Mich.....	October 8-10
1903 — Saratoga Springs, N. Y.....	September 2-4
1904 — St. Louis, Mo.....	October 13-15
1905 — Philadelphia, Pa.....	September 28-29
1906 — Columbus, Ohio.....	October 16-18
1907 — Atlantic City, N. J.....	October 15-17

OFFICERS SINCE ORGANIZATION.

OFFICERS, ORGANIZATION MEETING.

(Street Railway Accountants' Association of America.)

Chairman:

*M. W. HALL,

Secretary Camden & Suburban Railway Co., Camden, New Jersey.

Secretary:

W. B. BROCKWAY,

Auditor Toledo, Bowling Green & Fremont Railway Co., Toledo, Ohio.

OFFICERS, 1897.

President:

H. L. WILSON,

Auditor West End Street Railway Co., Boston, Mass.

First Vice-President:

C. N. DUFFY,

Secretary Citizens Railway Co.,
St. Louis, Mo.

Third Vice-President:

*C. B. REAVIS,

Secretary and Auditor Augusta Railway
& Electric Co., Augusta, Ga.

Second Vice-President:

J. F. CALDERWOOD,

Auditor Twin City Rapid Transit Co.,
Minneapolis, Minn.

Secretary and Treasurer:

W. B. BROCKWAY,

Auditor Toledo, Bowling Green & Fre-
mont Railway Co., Toledo, Ohio.

EXECUTIVE COMMITTEE.

The Officers and

Dana Stevens, Accountant Belt Railway Co. Washington, D. C.
W. S. Dimmock, Gen. Supt. Omaha & Council Bluffs Ry. & Bridge Co. Council Bluffs, Ia.
W. G. Ross, Comptroller Montreal Street Railway Co. Montreal, Quebec.
*E. R. L. Tighe, Accountant Brooklyn Rapid Transit Co. Brooklyn, N. Y.

Elected at Cleveland, Ohio, March 24, 1897.

OFFICERS, 1897-1898.

President:

H. L. WILSON,

Auditor West End Street Railway Co., Boston, Mass.

First Vice-President:

E. D. HIBBS,

Auditor Consolidated Traction Co.,
Jersey City, N. J.

Third Vice-President:

A. H. FORD,

Secretary New Orleans Traction Co.,
New Orleans, La.

Second Vice-President:

P. V. BURINGTON,

Secretary and Auditor Columbus Street Railway Co., Columbus, Ohio.

Secretary and Treasurer:

W. B. BROCKWAY,

Auditor Toledo, Bowling Green & Fremont Railway Co., Toledo, Ohio.

EXECUTIVE COMMITTEE.

The Officers and

W. F. Ham, Secretary Nassau Electric Railroad Co. Brooklyn, N. Y.
H. J. Davies, Asst. Secretary Cleveland Electric Railway Co. Cleveland, Ohio.
F. R. Greene, Secretary Chicago City Railway Co. Chicago, Ill.
J. M. Smith, Comptroller Toronto Railway Co. Toronto, Ontario

Elected at Niagara Falls, New York, October 22, 1897.

* Deceased.

OFFICERS, 1898-1899.

President:

J. F. CALDERWOOD,
Auditor Twin City Rapid Transit Co., Minneapolis, Minn.

First Vice-President:

*E. R. L. TIGHE,
Accountant Brooklyn Rapid Transit Co.,
Brooklyn, N. Y.

Third Vice-President:

F. E. SMITH,
Auditor Lynn & Boston Railroad Co.,
Lynn, Mass.

Second Vice-President:

R. LANCASTER WILLIAMS,
Treasurer Richmond Traction Co.,
Richmond, Va.

Secretary and Treasurer:

W. B. BROCKWAY,
Asst. Secretary Toledo, Bowling Green &
Fremont Railway Co., Toledo, Ohio.

EXECUTIVE COMMITTEE.

The Officers and

H. L. Wilson, Auditor Boston Elevated Railway Co.....Boston, Mass.
H. E. Babcock, Auditor Elmira & Horseheads Railway Co.....Elmira, N. Y.
H. C. Mackay, Comptroller The Milwaukee Electric Railway & Light Co..Milwaukee, Wis.
J. D. Fraser, Secretary and Treasurer Ottawa Electric Railway Co....Ottawa, Quebec

Elected at Boston, Mass., September 8, 1898.

OFFICERS, 1899-1900.

President:

C. N. DUFFY,
Auditor Chicago City Railway Co., Chicago, Ill.

First Vice-President:

W. F. HAM,
Auditor Brooklyn Rapid Transit Co.,
Brooklyn, N. Y.

Third Vice-President:

E. M. WHITE,
Cashier Hartford Street Railway Co.,
Hartford, Conn.

Second Vice-President:

W. G. ROSS,
Comptroller Montreal Street Railway Co.,
Montreal, Quebec.

Secretary and Treasurer:

W. B. BROCKWAY,
Secretary Toledo, Bowling Green & Fremont Railway Co., Toledo, Ohio.

EXECUTIVE COMMITTEE.

The Officers and

J. F. Calderwood, Auditor Twin City Rapid Transit Co.....Minneapolis, Minn.
C. L. Wight, Auditor Toledo Traction Co.....Toledo, O.
C. K. Durbin, Superintendent Denver City Tramway Co.....Denver, Col.
C. O. Simpson, Auditor Augusta Railway & Electric Co.....Augusta, Ga.

Elected at Chicago, Ill., October 19, 1899.

OFFICERS, 1900-1901.

President:

WILLIAM F. HAM,

- Comptroller Washington Traction & Electric Co., Washington, D. C.

First Vice-President:

J. A. HARDER,
Auditor Metropolitan Street Railway Co.,
Kansas City, Mo.

Third Vice-President:

W. G. McDOLE,
Auditor Cleveland Electric Railway Co.,
Cleveland, Ohio.

Second Vice-President:

J. M. SMITH,
Comptroller, Toronto Railway Co.,
Toronto, Ontario.

Secretary and Treasurer:

W. B. BROCKWAY,
Asst. Sec'y and Auditor New Orleans &
Carrollton R. R. Co., New Orleans, La.

EXECUTIVE COMMITTEE.

The Officers and

C. N. Duffy, Auditor Chicago City Railway Co.....Chicago, Ill.
C. S. Mitchell, Auditor United Traction Co.....Pittsburg, Pa.
C. M. Heminway, Cashier Connecticut Lighting & Power Co.....New York, N. Y.
G. E. Tripp, Auditor Seattle Electric Co.....Boston, Mass.

Elected at Kansas City, Mo., October 18, 1900.

* Deceased.

OFFICERS, 1901-1902.

President:

H. C. MACKAY,

Comptroller The Milwaukee Electric Railway & Light Co., Milwaukee, Wis.

First Vice-President:

C. L. S. TINGLEY,

Secretary The American Railways Co., Philadelphia, Pa.

Third Vice-President:

S. C. COOPER,

Secretary Cincinnati Traction Co., Cincinnati, Ohio.

Second Vice-President:

W. B. LONGYEAR,

Auditor Brooklyn Rapid Transit Co., Brooklyn, N. Y.

Secretary and Treasurer:

W. B. BROCKWAY,

Asst. Sec'y New Orleans & Carrollton R. R., Light & Power Co., New Orleans, La.

EXECUTIVE COMMITTEE.

The Officers and

W. F. Ham, Comptroller Washington Traction & Electric Co.....Washington, D. C.
F. R. Henry, Auditor St. Louis Transit Co.....St. Louis, Mo.
Irwin Fullerton, Auditor Detroit United Railway.....Detroit, Mich.
D. Dana Bartlett, General Auditor Massachusetts Electric Co.....Boston, Mass.

Elected at New York, October 11, 1901.

OFFICERS, 1902-1903.

President:

HENRY J. DAVIES,

Secretary Cleveland Electric Railway Co., Cleveland, Ohio.

First Vice-President:

IRWIN FULLERTON,

General Auditor Detroit United Railway, Detroit, Mich.

Third Vice-President:

J. B. HOGARTH,

Auditor Denver City Tramway Co., Denver, Col.

Second Vice-President:

D. DANA BARTLETT,

General Auditor Boston & Northern Railroad, Boston, Mass.

Secretary and Treasurer:

W. B. BROCKWAY,

Consulting Accountant Birmingham Ry., Light & Power Co., Yonkers, N. Y.

EXECUTIVE COMMITTEE.

The Officers and

H. C. Mackay, Comptroller The Milwaukee Electric Railway & Light Co. Milwaukee, Wis.
O. M. Hoffman, Treasurer Conestoga Traction Co.....Lancaster, Pa.
E. M. White, Cashier Hartford Street Railway Co.....Hartford, Conn.
J. J. Magilton, Assistant Treasurer Schenectady Railway Co.....Schenectady, N. Y.

Elected at Detroit, Mich., October 10, 1902.

OFFICERS, 1903-1904.

President:

F. E. SMITH,

Auditor Chicago Union Traction Co., Chicago, Ill.

First Vice-President:

F. R. HENRY,

Auditor St. Louis Transit Co., St. Louis, Mo.

Third Vice-President:

J. J. MAGILTON

Asst. Treasurer Schenectady Railway Co., Schenectady, N. Y.

Second Vice-President:

C. O. SIMPSON,

Treasurer Birmingham Railway, Light & Power Co., Birmingham, Ala.

Secretary and Treasurer:

W. B. BROCKWAY,

Gen'l Auditor Nashville (Tenn.) Ry. & Light Co., Yonkers, N. Y.

EXECUTIVE COMMITTEE.

The Officers and

H. J. Davies, Secretary Cleveland Electric Railway Co.....Cleveland, Ohio
S. C. Rogers, Auditor Youngstown-Sharon Railway & Light Co.....Youngstown, Ohio
S. G. Boyle, Secretary-Treasurer Louisville Railway Co.....Louisville, Ky.
H. M. Pease, Auditor International Railway Co.....Buffalo, N. Y.

Elected at Saratoga Springs, N. Y., September 4, 1903.

OFFICERS, 1904-1905.

President:

W. G. ROSS,

Managing Director Montreal Street Railway Co., Montreal, Quebec.

First Vice-President:

FRANK R. HENRY,

Auditor United Railways Co. of
St. Louis, Mo.

Third Vice-President:

J. W. LESTER,

Treasurer Worcester Consolidated Street
Railway Co., Worcester, Mass.

Second Vice-President:

ISAAC McQUILKIN,

Comptroller Indiana Union Traction Co.,
Anderson, Ind.

Secretary and Treasurer:

ELMER M. WHITE,

Asst. Sec'y & Asst. Treas. Birmingham
Ry., Lt. & Power Co., Birmingham, Ala.

EXECUTIVE COMMITTEE.

The Officers and

F. E. Smith, Auditor Chicago Union Traction Co.....Chicago, Ill.
G. B. Willcutt, Secretary United Railroads of San Francisco.....San Francisco, Cal.
A. L. Linn, Jr., General Mgr. Fairmont and Clarksburg Traction Co. Fairmont, W. Va.
P. S. Young, Comptroller Public Service Corporation of New Jersey.....Newark, N. J.

Elected at St. Louis, Mo., October 15, 1904.

OFFICERS, 1905-1906.

(American Street and Interurban Railway Accountants Association.)

President:

W. B. BROCKWAY,

General Auditor Nashville (Tenn.) Railway & Light Co., Yonkers, N. Y.

First Vice-President:

P. S. YOUNG,

Comptroller Public Service Corporation of
New Jersey, Newark, N. J.

Third Vice-President:

H. A. FERRANDOU,

Auditor and Treasurer New Orleans Rail-
way & Light Co., New Orleans, La.

Second Vice-President:

ROBT. N. WALLIS,

Treasurer Fitchburg & Leominster Street
Railway Co., Fitchburg, Mass.

Secretary and Treasurer:

ELMER M. WHITE,

Treasurer and Auditor, Birmingham Rail-
way, Light & Power Co., Birmingham,
Ala.

EXECUTIVE COMMITTEE.

The Officers and

W. G. Ross, Managing Director Montreal Street Railway Co.....Montreal, Quebec
C. L. S. Tingley, Second Vice-President The American Railways Co.....Philadelphia, Pa.
F. Dabney, Assistant Treasurer Seattle Electric Co.Seattle, Wash.
J. H. Pardee, General Manager Rochester & Eastern Rapid Ry. Co., Canandaigua, N. Y.

Elected at Philadelphia, Pa., September 29, 1905.

†Resigned.

CONVENTION PROGRAM.

(Atlantic City, N. J., October 15, 16 and 17, 1907.)

Tuesday — 1000 A M to 1 30 P M

Convention called to Order.

Address — John I. Beggs, President, American Street and Interurban Railway Association.

Annual Address of President.

Annual Report of Executive Committee.

Annual Report of Secretary-Treasurer.

PAPER "Amusement Park Accounts," by Frank J. Pryor, Jr., Comptroller, The American Railways Co., Philadelphia, Pa.

Question Box, edited by Frank R. Henry, Auditor, United Railways Co. of St. Louis, St. Louis, Mo.

Appointment of Convention Committees.

New Business.

Tuesday — 2 00 P M to 5 00 P M

Lunch and Social Afternoon (Chevy Chase, Marlborough-Blenheim Hotel).

Wednesday — 9 30 A M to 1 00 P M

Joint Meeting with American Association (Steel Pier).

Wednesday — 3 00 P M to 6 00 P M

PAPER — "Mechanical Devices and Other Office Appliances," by F. E. Smith, Auditor for Receiver, Chicago Union Traction Co., Chicago, Ill.

Report of Committee on Standard Classification of Accounts and Form of Report.

Thursday — 9 30 A M to 1 00 P M; 2 30 P M to 4 00 P M

PAPER — "Where Maintenance Ends and Depreciation Begins," by J. H. Neal, Auditor of Disbursements, Boston Elevated Railway Co., Boston, Mass.

Reports of Convention Committees.

Election of Officers.

Installation of Officers.

REGISTRATION AT THE ATLANTIC CITY CONVENTION.

PAST PRESIDENTS OF THE ASSOCIATION.

Duffy, C. N., Comptroller, The Milwaukee Electric Railway & Light Co.,
Milwaukee, Wis.
Ham, W. F., Comptroller, Washington Railway & Electric Co., Wash-
ington, D. C.
Mackay, H. C., Comptroller, Norfolk & Southern Railway Co., Nor-
folk, Va.
Davies, H. J., Secretary, Cleveland Electric Railway Co., Cleveland, O.
Smith, F. E., Auditor, Chicago Union Traction Co., Chicago, Ill.
Brockway, W. B., General Auditor, Nashville (Tenn.) Railway &
Light Co., Yonkers, N. Y.

DELEGATES OF MEMBER COMPANIES.

ALTOONA & LOGAN VALLEY ELECTRIC RAILWAY CO.:

Tingley, C. L. S., Second Vice-President.

ATLANTIC COAST ELECTRIC RAILWAY CO.:

Cade, G. B., Secretary and Auditor.

BIRMINGHAM RAILWAY, LIGHT & POWER CO.:

White, Elmer M., Treasurer and Auditor,

Root, L. Carroll, Special Auditor.

BOSTON & NORTHERN STREET RAILWAY CO.:

Bartlett, D. Dana, General Auditor.

BRIDGETON & MILLVILLE TRACTION CO.:

Sooy, Arthur H., Cashier.

BROCKTON & PLYMOUTH STREET RAILWAY CO.

Smith, H. C., Chief Clerk.

CAPITAL TRACTION CO.:

Simms, R. D., Treasurer.

CHARLESTON CONSOLIDATED RAILWAY, GAS & ELECTRIC CO.:

Balaguer, P. J., Auditor.

CHICAGO & JOLIET ELECTRIC RAILWAY CO.:

Pryor, F. J., Jr., Comptroller.

CHICAGO UNION TRACTION CO.:

Smith, F. E., Auditor.

CINCINNATI TRACTION CO.:

MacAlister, W. H., Comptroller,

CLEVELAND ELECTRIC RAILWAY CO.:

Davies, H. J., Secretary and Treasurer,

McDole, W. G., Auditor.

CLEVELAND, PAINESVILLE & EASTERN RAILROAD CO.:

Schmock, E. L., Assistant Secretary.

Delegates of Member Companies — (Continued).

CLEVELAND, SOUTHWESTERN & COLUMBUS RAILWAY CO.:

Cavanaugh, H. B., Auditor.

COLUMBUS RAILROAD CO.:

Wilbur, A. A., Assistant Treasurer.

COLUMBUS RAILWAY & LIGHT CO. (THE)

Burlington, P. V., Secretary and Auditor.

CONCORD, MAYNARD & HUDSON STREET RAILWAY CO.:

Ogden, L. M., Cashier.

DALLAS CONSOLIDATED ELECTRIC STREET RAILWAY CO.:

Thomas, Paris P., Assistant Treasurer,

Bowers, L. A., Auditor.

DAYTON & TROY ELECTRIC RAILWAY CO.:

Crume, R. A., General Auditor.

DETROIT UNITED RAILWAY CO.:

Fullerton, Irwin, General Auditor.

EASTON TRANSIT CO.:

Maltby, E. B., Auditor.

EAST ST. LOUIS & SUBURBAN RAILWAY CO.:

Gregory, T. W., Assistant Secretary and Treasurer.

EL PASO ELECTRIC RAILWAY CO.:

Silsbee, H. K., Assistant Treasurer.

FONDA, JOHNSTOWN & GLOVERSVILLE RAILROAD CO.:

Harris, Geo. A., General Auditor.

FORT WAYNE & WABASH VALLEY TRACTION CO.:

Vordermark, H. E., Auditor.

GALVESTON ELECTRIC CO.:

Drouilhet, A., Assistant Treasurer.

GRAND RAPIDS RAILWAY CO.:

Livingston, W. E., Audit Clerk.

HOUGHTON COUNTY STREET RAILWAY CO.:

Du Fresne, J. H., Assistant Treasurer.

HOUSTON ELECTRIC CO.:

Harding, H. L., Assistant Treasurer.

INDIANA, COLUMBUS & EASTERN TRACTION CO.:

Glover, H. W., Auditor.

INDIANA UNION TRACTION CO.:

Forse, Jr., W. H., Secretary and Treasurer.

INTERNATIONAL RAILWAY CO.:

Slocum, J. F., Secretary and Treasurer.

INTER-URBAN RAILWAY CO.:

Wight, C. L., General Auditor.

JACKSONVILLE ELECTRIC CO.:

Tucker, Wm. H., Assistant Treasurer.

KNOXVILLE RAILWAY & LIGHT CO.:

Bunn, H. T. Treasurer and Auditor.

Delegates of Member Companies — (Continued).

LEHIGH VALLEY TRANSIT CO.:

Walter, C. M., Auditor.

LITTLE ROCK RAILWAY & ELECTRIC CO.:

Tharp, W. J., Auditor.

LONG ISLAND CONSOLIDATED ELECTRICAL COS.:

Bierck, A. B., Auditor.

LYNCHBURG TRACTION & LIGHT CO.:

Powell, H. T., Cashier.

MAHONING & SHENANGO RAILWAY & LIGHT CO.:

Rogers, S. C., Treasurer and Auditor.

MANILA ELECTRIC RAILWAY & LIGHT CO.:

Wickham, T. F., Secretary and Treasurer.

MILLVILLE TRACTION CO.:

Thomas, G. H., Secretary.

MILWAUKEE ELECTRIC RAILWAY & LIGHT CO.: THE

Duffy, C. N. Comptroller.

MONTRÉAL STREET RAILWAY CO.:

Smith, H. E., Comptroller.

NASHVILLE RAILWAY & LIGHT CO.:

Brockway, W. B., General Auditor.

Walters, H. C., Secretary and Treasurer.

NEW ORLEANS RAILWAY & LIGHT CO.:

Ferrandou, H. A., Treasurer and Auditor.

NEWPORT NEWS & OLD POINT RAILWAY & ELECTRIC CO.:

von Schilling, Franz, Auditor.

NORTHERN OHIO TRACTION CO.:

Lahr, C. H., Auditor.

NORTHERN TEXAS TRACTION CO.:

Butwell, A. W. Q., Assistant Treasurer.

OTTAWA ELECTRIC RAILWAY CO.:

Fraser, James D., Secretary and Treasurer.

PADUCAH TRACTION CO.:

Bigham, J. E., Assistant Treasurer.

PENSACOLA ELECTRIC CO.:

Carroll, Raymond G., Assistant Treasurer.

PEOPLE'S RAILWAY CO.

Tingley, C. L. S., Treasurer.

POTTSVILLE UNION TRACTION CO.:

Lasher, F. B., Secretary and Treasurer.

PUBLIC SERVICE RAILWAY CO.:

Young, P. S., Comptroller,

Boylan, M. R., General Auditor,

Hughes, W. J., Traveling Auditor,

Barker, W. S., Assistant to the Comptroller,

Heilig, E. W., Chief Clerk.

Delegates of Member Companies — (Continued).

Dickson, A. E., Chief Clerk,
McCourt, C. B., Assistant Chief Clerk,
Burgbacher, F. E., Bookkeeper,
Cash, J. E., Bookkeeper,
Garland, H. J., Bookkeeper.

RALEIGH ELECTRIC CO.:

Dalton, H. H., Auditor.

ROCHESTER RAILWAY Co.:

Linn, A. L., Jr., General Auditor,
Collins, J. C., Secretary and Auditor,
Ingle, W. O., Assistant Auditor,
Scobell, E. C., Assistant Auditor,
Byrne, D. A., Cashier.

ROCKFORD & INTERURBAN RAILWAY Co.:

McAssey, F. W., Auditor.

SAN DIEGO ELECTRIC RAILWAY Co.:

Kayser, A. H., General Auditor.

SAVANNAH ELECTRIC Co.:

Eaton, R. H., Assistant Treasurer.

SCHENECTADY RAILWAY Co.:

Katz, D., Chief Clerk.

SCRANTON RAILWAY Co.:

Pryor, Frank J., Jr., Comptroller.

SEATTLE ELECTRIC Co.:

Dabney, Frank, Assistant Treasurer,
Beckett, W. W., Accountant.

SOUTH CHICAGO CITY RAILWAY Co.:

Gaither, Wm. R., Auditor.

SPRINGFIELD RAILWAY Co. (THE):

Pryor, Frank J., Jr., Comptroller.

STONE & WEBSTER COMPANIES:

Pratt, A. Stuart, Treasurer,
England, Geo. C., Assistant Treasurer,
Adams, E. R., Traveling Auditor,
Allen, Chas. H., Traveling Auditor,
Leonard, W. R., Traveling Auditor.

SYRACUSE & SUBURBAN RAILROAD Co.:

Fiesinger, J., Auditor.

TACOMA RAILWAY & POWER Co.:

Michener, A. S., Accountant.

TAMPA ELECTRIC Co.:

Byrne, C. H., Assistant Treasurer.

TOLEDO RAILWAYS & LIGHT Co.:

Swift, H. S., Secretary and Auditor.

Delegates of Member Companies — (Continued).

UNION STREET RAILWAY Co.:

Wilde, Elton S., Treasurer.

UNITED RAILWAYS Co. OF ST. LOUIS:

Henry, Frank R., Auditor.

UTICA & MOHAWK VALLEY RAILWAY Co.:

Joel, J. M., Auditor,

Frankel, B. A., Cashier.

WASHINGTON, BALTIMORE & ANNAPOLIS ELECTRIC RAILWAY Co.:

Gladfelter, Charles F., Secretary and Treasurer.

Kappler, William A., Auditor.

WASHINGTON RAILWAY & ELECTRIC Co.:

Ham, W. F., Comptroller.

WEST PENN RAILWAYS Co.:

Scheck, C. W., Auditor,

McCain, W. B., Assistant Auditor.

WHATCOM COUNTY RAILWAY & LIGHT Co.:

Hector, John C., Assistant Treasurer.

WORCESTER CONSOLIDATED STREET RAILWAY Co.:

Lester, J. W., Treasurer.

YORK STREET RAILWAY Co.:

Grimes, H. T.

GUESTS IN ATTENDANCE.

(Representatives of Street and Interurban Railway Companies.)

BLUE HILL STREET RAILWAY Co.:

Winslow, C. H., Assistant Treasurer.

CONESTOGA TRACTION Co.:

Graybill, J. S., Jr., Secretary and Treasurer.

INTERSTATE RAILWAYS Co.:

Rose, W. A., Auditor.

KANAWHA VALLEY TRACTION Co.:

Heald, W. L., Treasurer.

(Other Guests.)

Balch, C. F., Representing the Interstate Commerce Commission,
Washington, D. C.

Edwards, H. M., Representing the National Electric Light Association,
New York.

Mackay, H. C., Comptroller, Norfolk & Southern Ry. Co., Norfolk, Va.

Meyers, W. J., Representing the Public Service Commission for the
Second District of New York.

Steuart, W. M., Statistician, Department of Commerce and Labor,
Washington, D. C.

Sewall, H. B., Treasurer, Minneapolis General Electric Co., Minneapolis, Minn.

MINUTES
OF THE
1907 CONVENTION.

TUESDAY MORNING SESSION
OCTOBER 15, 1907.

The eleventh annual meeting of the American Street and Interurban Railway Accountants' Association was called to order at 10:00 A. M., by the president, C. L. S. Tingley, at the Hotel Chalfonte, Atlantic City, N. J.

PRESIDENT TINGLEY:—First in order is the approval of the minutes of the last convention.

(On motion the minutes were approved as published in the proceedings of the Columbus convention.)

PRESIDENT TINGLEY:—It has always been customary in these conventions to have an address of welcome. It was decided, however, in New York, at the meeting of the executive committee of the American association, to dispense with addresses of welcome this year, with the exception of such as may be made at the meeting of all the associations on Wednesday morning, on the steel pier.

The next item on my list is the address of the president of the American Street and Interurban Railway Association. As Mr. Beggs has not yet arrived, we will pass that for the present and proceed to the next item, which is the annual address of your president.

ADDRESS OF THE PRESIDENT.

GENTLEMEN:—It is with great diffidence that I arise to address you at this our 11th annual convention. A wise man has said that there is nothing new under the sun, and when I look back over the list of my predecessors in office, I realize to the full the force of that saying. Yet, as your president, I have a few things to say to you, and I beg your forbearance if they are not new. The first duty of an executive

in his annual communication is to give an account of his stewardship. I therefore submit a brief resumé of the events of the past year.

At the Columbus convention the sale of our standard classification of accounts to the general public was authorized, and the price suggested by the executive committee was one dollar per copy. Acting upon this authority, I have instructed the secretary to sell the standard classification at that price, and a number of copies have been sold. The question as to whether a reduced price shall be made on these in quantities will be brought before you in the report of the executive committee.

At the close of the Columbus convention the president of the American association handed me a letter from Professor H. C. Adams, statistician of the Interstate Commerce Commission, asking that the American association appoint a committee to confer with him, looking to the preparation of a form of report to be used by roads electrically operated, which, under the provisions of the Hepburn Act, would come under the jurisdiction of the Interstate Commerce Commission. The president of the American association requested me, as president of this association, to confer with Professor Adams as to the appointment of such a committee.

During the course of my correspondence on the subject with Professor Adams, the scope of the question was broadened by him so that our cooperation was asked with the representatives of the Association of American Railway Accounting Officers in an effort to harmonize the standard classifications of accounts used by steam and electric railways. This correspondence resulted in the appointment of a special committee consisting of Messrs. W. F. Ham, F. E. Smith, and your president, which met in Washington, consulted with Professor Adams, and met the Standing Committee on Disbursements of the Railway Accounting Officers' Association.

This conference developed the subject and, recognizing its importance and also its difficulties, the committee summoned to its aid the Standard Classification Committee. After thoroughly going over the whole question, and a further conference between your special committee and the committee of seven of the Railway Accounting Officers' Association, your committee, finding that there were fundamental differences between them and the steam men which did not seem to be adjustable, withdrew from the conference. Professor Adams was notified of this action, with the reasons therefor, and that our committee would proceed at once to the preparation of a scheme of accounting and form of report to be submitted to him.

As for some time past there has been criticism from some of the interurban roads that our standard classification did not make proper provisions for their accounting, it seemed wise to the chairman of the special committee and your president that a committee of interurban accountants be appointed to suggest to the Standing Committee on Standard Classification of Accounts such changes and amplifications of

our standard as would cover their needs. Your president accordingly appointed Messrs. W. H. Forse, Jr., A. C. Henry and A. B. Bierck such committee.

The matter received careful consideration at their hands and their report was submitted to the Committee on Standard Classification at a joint meeting of the two committees, and the results of their deliberations will be submitted to you in the report of your Standing Committee on Standard Classification of Accounts. This is one of the most important and far reaching questions that has ever come before this association, as it not only affects those roads which come directly under the jurisdiction of the Interstate Commerce Commission, but also indirectly all roads, as the various states will undoubtedly be guided largely by the action of that body.

As an indication of what the commission is doing in this direction, I would call your attention to an article which appeared in the Railway World on August 9th, which says, "Under the direction of Prof. Henry Adams, the statistician of the commission, an expert of the accounting division of the commission, S. L. Lupton, has been sent out to confer with the various State Railroad Commissions. His purpose is to ascertain the views of state commissions in regard to harmonizing the accounting systems for the railroads required by the general government and by the states. The National Association of State Railroad Commissioners has already given this subject some attention, and has committees at work upon it. They will report at the next meeting of the association in October. Mr. Lupton is expected to be through with his investigations by that time, and to have some interesting views to present to the association. Probably the most important matter in this connection relates to the division of the revenues and the expenses of the roads by states. Professor Adams hopes to bring about an understanding between the state commissions and the Interstate Commerce Commission on this subject, whereby the same system of computation will be used throughout. The subject is one of great moment in reference to railroad taxation. Professor Adams and his aides have already worked out what they consider is a fair and equitable method of dividing the expenses of railroads as between states. They have not, as yet, worked out the method of dividing the revenues. This is a more difficult matter. It is something in which the State Railroad Commissioners are much interested, and Mr. Lupton, among other things, is getting the ideas of the state commission upon it. If a scientific system of dividing the receipts and expenditures of roads as between states is reached and enforced, the labor of state assessment and state taxing bodies will be made much more easy, and comparative figures as to what railroads are doing by states will be of much more value. It will also be of great assistance to the Interstate Commerce Commission and the various state commissions to have the accounts of intra-state roads made up on the same basis as the Interstate Commerce Commission requires of interstate roads."

This, of course, applies primarily to the steam roads, but in the logic of events will also apply to those electrically operated. Your president, therefore, bespeaks your most careful attention to the report of the Committee on Standard Classification of Accounts, and is sure that you will meet this question in a broad, enlightened spirit.

Closely related to the above is the question of interurban accounting. And, as has been stated, some of the interurban members have expressed the feeling that their special line of accounts have not received due attention at the hands of the association, and suggested the consideration of such topics as interline billing, interline tickets, station accounts, etc., at this convention. This suggestion was received some months after the program had been completed, and can not be acted upon at this time but is referred to the incoming executive committee. In reply to the implied criticism, I would call the association's attention to some history, namely that at Columbus last year all of the papers were applicable to both urban and interurban companies; that at Philadelphia in 1905, two of the four papers were purely interurban; that at St. Louis in 1904, the entire program was applicable to both, and that in 1903 and 1902 one exclusively interurban paper was presented each year so this phase of our work has not been entirely neglected.

At the Columbus convention last year we resumed the discussion of a most important question, Depreciation. Some of you will remember that at the meeting in 1897, Mr. H. C. McJilton, of Baltimore, read a paper on this subject, and several of your presidents have adverted to it in their annual addresses, but no consecutive work has been done on the question. Your executive committee, believing that the time was opportune and the subject worthy of a fuller discussion has again placed it upon your program.

I have heard some questioning of the propriety of this association discussing this question on the ground that it is one of policy to be determined by the directors of the several companies and not by accountants. It is quite true that there is a question of policy here, and that it lies in the province of the board of directors to say whether or not depreciation shall be accounted for and at what rate. This association does not assume to say to any board of directors that they must account for depreciation, but they can with propriety say to the electric railway fraternity that depreciation is a fact and that it should be accounted for.

In my humble judgment this association and the individual members thereof will be derelict in their duty to their board of directors, their stockholders and the public if they evade this question. It is as much an accounting question as it has been treated as is the question what should be charged to construction and what to maintenance. Furthermore it is a question that will not down; it demands an answer; sooner or later it will be forced upon us by governmental authority and it behooves us to be ready with our answer when the time comes.

The only way a proper answer can be given is by discussion, such as was had last year at Columbus, and such as I hope we will have in this room on Thursday.

There is a new feature on our program this year, the lunch and social afternoon. At the close of this session we will adjourn to the Marlborough-Blenheim to meet around the social board. One of the best things about our association and its conventions is the friendships it breeds. The lapse of time, the increase in membership due to the consolidation of the associations, has brought among us many new faces, and it seemed wise to the executive committee to bring all the delegates together in this manner, that we may know each other, believing that it will increase the interest in our meetings and promote freedom of discussion. There will be no speechmaking, but it is hoped that the delegates will group themselves in congenial parties and, over their steins and cigars, fall into a familiar discussion of the various problems of interest to each particular group. May we all have a pleasant and profitable afternoon, and may we each receive a fresh inspiration of loyalty to our association and of true friendship for each other.

As your representative, your president attended the Convention of the National Electric Light Association held in Washington, June 4 to 7 last, being invited by the president of that association to discuss the report of a special committee on a standard classification of accounts for electric lighting companies. A very voluminous report was submitted, giving evidence of much hard work on the part of that committee, but the form and grouping of accounts as suggested by them diverged widely from our form of accounting, so that as your president I suggested that it would be unwise for that association to adopt such a classification for the reason that many companies, particularly among the smaller ones, were engaged in both classes of business, that it would be annoying and tend to confusion to be dealing with classifications diverse in form and grouping.

The National Electric Light Association referred the report of its committee back to it for further consideration. As an outcome of this meeting there was sent out a circular letter to all members of this association, asking for information as to the number of companies engaged in both electric railway and lighting business, also as to what companies were engaged in business other than electric railway and lighting. Replies were received from 92 companies; 53 did both railway and electric lighting; 37 did railway only; one, railway and gas; seven did a heating business in addition to railway and lighting; 20 did a gas business in addition to railway and lighting; one operated a ferry; two operated water companies; two operated ice plants; two are preparing to do a lighting business and one operated railway, gas and water. From the above figures and from the interest displayed by a number of the companies, it would seem to your president to be the part of wisdom to ask for a conference with the National Electric

Light Association on this most important subject. Mr. H. M. Edwards, chairman of the National Electric Light Association's committee, is here to-day as our guest, and will be asked to speak to us on this question.

Our relations with the affiliated associations have been most cordial and, as your representative on the executive committee of the American Association, your president has attended all the meetings of that body and also assisted in the selection of the place for holding the convention.

The question of standardizing shop reports has not yet been settled. Your president took up the matter with the president of the Engineering Association, but that body was not prepared to take up the work in time to report to this convention. I would, therefore, recommend that the incoming executive committee confer with the Engineering Association with a view to having this most important question considered during the coming year and reported on at the next convention.

Mr. C. F. Bryant, elected as second vice-president of this association at Columbus, severed his connection with the Connecticut Railway & Lighting Company last winter, and tendered his resignation, which was accepted with regret. Mr. Frank R. Henry, auditor of the United Railways Company of St. Louis, was elected his successor.

I regret that our finances are not in a more flourishing condition. We have received from the American Association during the past year the sum of \$1,250, being \$250 less than was received during the previous year, although the same amount was appropriated for our work by that association. We have kept within our means, but only by again intrenching upon our surplus from previous years. The details will be given you in the report of your treasurer, to which I ask your careful attention.

It is only fitting that I should express my great appreciation of the loyalty and cooperation of the executive and other committees of this association, without which little would have been accomplished during the year.

And now, gentlemen, I thank you for your attention and also for the great honor in electing me to this office. The responsibilities have been great, and the demands upon my time, many; but it has been a pleasure to serve you and the friendships formed have been an ample reward.

PRESIDENT TINGLEY:— It has always been the custom of the Accountants' Association to hear from the president of the American Association at the opening session. Mr. Beggs is too well known to the members of this association to require any introduction. We will now have the pleasure of hearing from him.

MR. BEGGS' ADDRESS.

MR. PRESIDENT AND GENTLEMEN:—It has always been a source of pleasure to me to meet the accountants when convened for the purpose of advancing the science of the accounting of these properties to which many of us have devoted the best years of our life. I am here to-day as a duty devolving upon the president of the American Association, but I consider it in a higher sense a privilege to be here as one who spent many years back of the accounting desk, and, as a preliminary to that, in instructing young men in the science of accounting. Consequently I have always taken a very deep interest, first, in the organization of the Accountants' Association, and since that time, at nearly every meeting, I have trespassed upon the time of this association for a few minutes.

I have listened with a great deal of pleasure to your president's address, and am very glad to see the manner in which some of these matters have been touched upon, particularly that of depreciation; and there might be added to that the word "amortization," which is quite as important. I agree with your president that it is a delicate subject to take up for general discussion, particularly in the Accountants' Association, because outside of the executive heads of these companies, I do not think there is any one in their organization who is so alive to a realization of the importance of this matter of making provision for depreciation and amortization as the accountants, who are brought daily in contact with these questions, and, being thoughtful men, they must of necessity look into the future and begin to cast about for what is to be done with these properties, many of which have been created anew within the last few years, and on which the element of wear does not seem as yet to have made very great impression. Nevertheless, it is going on all the same.

On very few roads of the country, unfortunately, has any provision been made thus far for the replacement or making good of that wear when it shall have gone to such an extent that the rails must be renewed and the equipment rolling over them, as well as the overhead. It is not fair to assume that when that time comes a new issue of bonds shall be put upon the properties. That is not right. One of the proper elements for upkeep, for the maintenance of these properties, is the wear that continues on the equipment from the first day that it is put into operation.

There are many roads over the country that make a showing of a very high percentage, in some cases I have seen it put as high as 70 per cent., of the gross receipts, over and above operation, when directly the opposite figures were the fact under a proper system of administration and accounting. This is largely the work of promoters, gentlemen, who do not go into it, as some of us have who have spent our lives in studying this business, who have our fortunes in it, not running one line of business and making investments in another, but engaging in a business to which our lives have been devoted.

Therefore I agree with your president that it is a matter which must be approached judicially and judiciously; yet many of these properties are struggling through sparsely settled territory—I am speaking now of the outlying suburban and interurban lines that ultimately will build up a good business. I recognize that it is not possible for those roads to adopt this method. I am simply speaking of the principle and not of the theory. It is not possible for all those roads to immediately set aside the amount that we know is necessary to make provision for the wear that will be so evident in twelve or fifteen years from now, that must be made good; but after those roads have been built up in earning capacity, then that which was not set aside in their earlier years should be set aside in greater amount in the after years. Instead of paying large dividends and driving the price of the stock and securities up, the management should set aside the funds that are absolutely needed, and are just as much a legitimate operating cost as is the replacement of a pair of wheels that have slid flat or a broken flange, or of an armature that has burnt out. This wear is going on just the same, gentlemen.

But, as your president suggested, these are largely questions of policy, and particularly in these times we approach it with a little more hesitation, even, than we would have twelve months ago. It is not necessary to say to you who are making the entries on our books how difficult it is to-day to secure the necessary capital to build the additional lines and ends of lines to give a longer ride for a nickel in order to accommodate the public. It did not take into account the capital involved in the building of every new mile of road and of every additional car put onto the line. I do not mean replacement. In these days I do not know where you can turn to any banker or banking community to obtain that capital, and that is a condition brought about by the very people who are clamoring for these additional facilities and the increased length of ride.

Experts for the authorities of the city of Milwaukee have recently made a very thorough and exhaustive report on the condition of the books of our property, they took a period of ten years in order to try to show that the company's receipts had been such during that time that it might give a lower rate of fare and still return a fair amount on what they considered the value of the property, taking in simply its replacement value to-day, nothing allowed for the acquisition of a streak of rust and some franchises for which originally millions of dollars were paid and for which capital had to be issued, that capital still being outstanding, and to continue outstanding until by some means of amortization we may provide out of the earnings a fund to repay the holders of those securities. That is what I mean by an amortization fund, that these companies that have limited franchises must take into account and make provision that at the end of that time, those investors, their heirs and successors, the children of some of us who have put our all into these properties, shall

be secured. I have had faith enough in these properties to put nearly everything I had in the world into them, because if I had not that faith I could not have acquiesced in seeing others put their money into it. Therefore, as accountants, it is highly important in these days, when some city authorities or some railroad commissions demand that your books and accounts be spread before them, going back for ten years, to see to it that these accounts are kept in such way that you will not shrink from turning the entire mass of books, records and statements of the company into a room with a corps of expert accountants, as was done by The Milwaukee Electric Railway & Light Company. I consider it one of the highest compliments that I have ever received in the administration of any business with which I have been connected that the report of these expert accountants, no one ever dreaming the books would be subjected to such an overhauling as was given them—that in one of the first paragraphs they commend the company for the manner in which all these books and accounts have been thrown open to them and the facilities that had been given them to obtain all the information that they desired, and in the next paragraph to commend the skill and accuracy with which those books as a whole had been kept for that entire period of ten years.

They go on furthermore to command the uncommon capacity of the company, and that leads up to what? Nothing left for the stockholders to desire, or the investors; that notwithstanding good dividends had been paid for many years on a property which, as one of the gentlemen sitting here now knows, eleven years ago was bankrupt; that notwithstanding good dividends had been paid, and the property was better at the end of every year than ever before, that depreciation reserves had been built up, they in their great wisdom as duly certified public accountants, did not think that these reserve funds were necessary. Therefore, in their method of accounting and arriving at what we might do and what the city might demand, they said these amounts, created over a period of ten years, should be carried to profit and loss in order to show that after the payment of these dividends there was a sufficient amount accumulated that might warrant a reduction in the rate of fare.

The largest amount that that company has ever charged against operation and carried to what I call our "Injuries and Damage Reserve," is four per cent. of our gross receipts, and that for possibly the last five or six years, prior to which that charge was three per cent., so that it has run somewhere from two per cent. up to as high as four per cent., which is the maximum ever charged against operation. Against that fund every item of expense in connection with taking care of the injuries and damages of that company is charged. All payments for injuries and damages to persons or property, all the legal expenses, all the expenses of physicians and surgeons and hospitals, claim agents, and of every kind and nature, is charged against that month by month and year by year, but in the administra-

tion of that one item of the business of the company we have accumulated and invested in high grade five per cent. bonds \$350,000, the interest of which is likewise carried to that fund, and I propose to continue to increase that fund. Now the experts say that it is not necessary. We all know, gentlemen, that if the company went into liquidation to-day it would have to be administered very judiciously indeed, and I doubt whether it could be done, that we could settle the injuries and damages which are always hanging over us, even with the best of care and ability. These cases are always pending, as we all know. They may bring a suit for \$20,000. We may defeat it entirely, or they may get \$2,000 or \$3,000 on it. My belief is that these companies should have created month by month, and day by day, as it were, the amount necessary to enable you, if you went into liquidation to-day, to do so without calling for additional capital to take care of that liability, because that is as certainly a liability as any which is placed against a company. It must be taken care of. And that is one of the things the experts have attacked.

Another item they attack—we charge one per cent. on gross receipts against operation and carry it to our fire insurance reserve. We have been doing that for a considerable length of time, and are in the fortunate position to-day—and I do not believe the city will take that from us—of having in that fund \$450,000 of high grade five per cent. bonds. Against that fund we charge every dollar of insurance premiums paid, and if we have any small losses that are not covered, and no insurance policy ever covers them all, we charge it all against that, and simply have permitted over a period of ten years these accretions. The very fact of that fund to-day, gentlemen, probably saves us 50 per cent. on our fire insurance premiums, because we are not beggars before the old line fire insurance companies to-day. I have finally got myself into a position where, if need be, we can carry our own insurance to the extent of \$450,000, which will cover any possible loss we can have, and with our properties spread over a city of a great many miles in area, we can afford to do it, and ultimately that is what we will do. Yet these expert accountants say that fund is unnecessary, and so with various other funds.

Our Depreciation Reserve fund I have not deemed it necessary or advisable to invest, because that is a fund we are spending month by month and year by year. There has been a time when on the books of the Milwaukee Co. that account was on the wrong side, when we had spent more than had been carried to it, after keeping up our property. This is a question of policy with many companies, whether they shall do it as we do, or whether it shall be done in some other way. Some managements have deemed that it was more accurate to carefully value every branch of the company's property and carry a certain percentage. I have chosen to apply what I call my rule of thumb and to take a certain percentage of our gross receipts every month for what we call repair renewal of property, which has been

for several years past 10 per cent., it began eleven years ago at about 15 per cent., because then we began charging a fixed amount. Portions of the property was in a condition of collapse, and when we got down to where we were charging \$180,000 a year, it was about 15 per cent. of our gross receipts. When the earnings were about \$1,800,000, I began charging 10 per cent. and carrying it to depreciation reserve fund month by month.

When we had to scrap or sell for junk a lot of old cars, and replace them with modern equipment, notwithstanding that modern equipment is sometimes twice the capacity of the old—the old cost more—we charge that to depreciation reserve.

When we relay any section of our tracks throughout the city that has already been laid once—when I went there I think we had something like 76 miles of 56-pound Johnson girder rail on chairs, and that has nearly all been replaced, a great deal of it with 7-inch 97-pound Tee rail—we charge that against depreciation reserve.

Consequently that fund is a changing one built up during the winter season and running down during the summer season when we are doing our construction work. We consolidated five or six miles of car lines. I took up the old strap rail and used it for guard rails, and replaced it with the other, but it had cost more in the original capitalization and construction, and that is one of the ways in which we avoid the water, and that is what I call rule of thumb. It is not getting scientifically down and charging 2 7/8 per cent. on something, and 7 8/9 per cent. on something else. It is a rule of thumb, as I say, and it has worked out very closely. These expert accountants I think figure out that while we have been charging 10 per cent. they think eight per cent. is enough. Well, I think if we had sufficient earnings I would have liked to charge off 12 or 15 per cent.

Now, there is a fund we have not started yet, and that is the amortization fund, provision for these securities that are out. The time comes when these companies that have limited franchises must take care of them. You know how much consideration you would receive from a city to-day when a franchise has expired. I think some of the gentlemen before me here are up against that proposition, that their franchises are about expiring. They receive practically no consideration whatever at the hands of the municipality. They do not consider that there is a mutual obligation there, one of honor at least, if not in law, that ought to be recognized.

As your president has well said, you gentlemen of the accounting department are powerless in most cases to dictate the policy that shall be pursued but you can make yourselves felt by constantly bringing to the attention of the executive heads of these companies these statements showing month by month the analysis of these accounts in a quiet, unobtrusive way. We who are administering these properties have to stay with them. With us it is a matter of principle, our reputations are at stake. Some of us who have given the best years of

our lives to building up these properties in an earnest desire to have proper methods of administration and of financing and accounting followed, are very deeply concerned in these questions. Therefore, it is a matter of pride and of honor, and you can do much in your quiet way, not necessarily here in convention but in your accounting offices, when you take your statement month by month before the executive heads who possibly appear before the bankers or board of directors in these various companies that they may have these facts before them, that they may not in the years to come say that this never was presented to them in this way. There is a great deal in the way figures are read. It is an old and trite saying that figures will not lie but that they can be so arranged in juxtaposition as to be very misleading. It is not every one who has the faculty of taking a mass of figures and analyzing the points in them, and that is one of the things that you gentlemen, as trained accountants can do, and when I use the word "accountant" I use it in the broad general sense.

In the year 1906 a property that I was interested in showed earnings on the entire capital stock, that was out against it, of between 6 and 7 per cent., after keeping it up well. We had never paid any dividend. At the beginning of this year we charged against operation 5 per cent. of gross receipts, and we will increase that amount annually to the extent of one per cent. at a time until it gets up at least 10 per cent. That will make the property show somewhat less net earnings during the year 1907 than it did during the year 1906, but it will not be very much, gentlemen, because of the growth of the business. Then I believe that for the next five years we will about keep on the steady keel of practically 6 per cent. on the stock, but each year setting aside a larger amount to the depreciation reserve fund, so that when a part of that track that was all new some eight or nine years ago begins to wear out, we will have some funds against which to charge that renewal and replacement, and that is the policy which I believe in pursuing with these companies. I have done that with a number of small companies, did it with own big traction company outside of the city of Milwaukee. We were not able for several years to set aside any reserve fund for that property, because to have done so would have shown a deficit year by year. Now then, as soon as that company began to make money, before it began to pay dividends, we began creating this depreciation reserve fund. This year I think we are charging 9 per cent. of our gross receipts to depreciation. Next year it will be up to the 10 per cent. Then it will be up to my standard.

I am a believer in charging a percentage of your gross receipts. On an interurban line, for instance, when your summer receipts are two and three times what they are in the winter season, you are getting two or three times the amount carried to the creation of that fund, when the earnings can stand it, that you get in the winter time, when most of these interurban properties are earning less, and when you

are charging a much smaller amount against depreciation, so that you have a much more uniform method of comparison month by month than you would have on a fixed percentage, which on some of these smaller properties would make the deficit seem very large indeed. It is not necessary to say to those running interurban lines here that their net earnings are made in about four or five months of the year, that from about the first of January up to June many of these interurban properties running through sparsely settled territory lose money. Then is the time when you want to ease up as much as you can on the charges to them. That is only general, however, but I mention it because of the points touched upon in your president's very able address here, that it is necessary to bring these two lines of accounting together.

We have three or four companies in which we own the gas, the electric light and the railways, all running as one amalgamated property, and we have been working many months trying to get up a consolidated sheet that will show the earnings from all, and properly apportion the general expenses and capitalization to the various branches of it. I am very glad indeed to know that the Accountants' Association is going to lend its experience, its skill, and its great industry to bringing about a standard system of accounts covering railway electric and gas lighting and I will be very glad to see how far we have gone from the point where we should have stopped in trying to bring these accounts together.

Mr. President, I desire to convey to you, and through you to the members of the association an expression of appreciation from the American Association for the degree of loyalty we have had from this and each of the other affiliated associations. I desire to bear testimony that your president has been at every meeting of the executive committee that has been called. Wherever it has met, he has been there, ably representing the Accountants' Association, loyally standing by the American Association, which, in its first years of our greatly increased expense was a somewhat complex problem to keep going in harmony with all these and to make this matter of finances hold out. As you all know, the expenses of the American Association have been very greatly increased indeed, and I think the results abundantly justify the expenditure. It has been located in commodious, well-appointed offices, it has at its head a man able, loyal, industrious, as its secretary and treasurer, who is gathering together a great amount of data that is of inestimable value, not only now but for the future; and therefore, it is highly gratifying to be able to say after two years that so much has been accomplished, because there were some misgivings at Philadelphia, some two years ago, as to how the affiliated associations would amalgamate with the American Association. It has worked out much better than even the most sanguine of us could hope and it is largely due, gentlemen, to the loyalty, to the earnest conscientious work of the executive committee, which is com-

posed of the presidents of these affiliated associations, along with the officers of the American Association.

I beg your pardon for having taken so much of your time, and thank you for your earnest attention. I hope that the officers that you may be blessed with in the future may be as loyal, and that your president may have as loyal a body of men to meet before him as meets here to-day.

PRESIDENT TINGLEY:—Mr. Beggs, I want to express the appreciation of the association of your coming here and meeting with us and bringing this hearty greeting from the American Association, and also to thank you for the sound words of advice which you have given.

The next order of business is the annual report of the executive committee, which will be presented by the secretary. Before we take that up I want to say just one word. The executive committee of the American Association ordered this year that a roll-call be taken at every session of the American and the affiliated associations. As it would be an exceedingly tedious matter to call the actual roll, there are provided attendance cards upon which it is requested that every member will put his name, his company and his address, and turn them in to the secretary at the close of the meeting.

ANNUAL REPORT OF THE EXECUTIVE COMMITTEE TO THE ELEVENTH ANNUAL CONVENTION.

Your committee herewith submits its report as follows:

The first meeting was held in Philadelphia, January 21, 1907, there being present, Messrs. Tingley, Neal, Swift, Bunn, and Pratt. In the absence of the secretary Mr. Pratt acted in his stead.

It was decided to print the article on "Depreciation" and the discussion following it, in the Tenth Annual Report and that it be copyrighted.

In January Mr. C. F. Bryant, our second vice-president resigned on account of his retirement from the street railway business and in April Mr. Frank R. Henry was elected to fill the vacancy.

The following change has occurred in the Committee on Standard Classification of Operating Expense Accounts and Form of Report, in the resignation of Elmer M. White and the appointment of Mr. C. N. Duffy. There was also added as an auxiliary Committee on Interurban Accounts, Mr. W. H. Forse, Auditor, Indiana Union Traction Co., Mr. A. B. Bierck, Auditor, Long Island Consolidated Electrical Cos., and Mr. A. C. Henry, Auditor, Lake Shore Electric Railway Co.

At an executive meeting held during the afternoon of yesterday, ~~1908~~, were present, Messrs. Tingley, Henry, Wight, Pratt, Swift, Bunn, and White, and of the Classification Committee, Messrs. Ham, Henry, McDole, and Duffy, and Mr. Forse of the Auxiliary Committee.

The subject of the Tentative Report on Standard Classification was thoroughly discussed and it was voted to present this report to the association for action.

The accounts of the treasurer were audited by Mr. H. T. Bunn and found correct.

The secretary was authorized to sell to the Worcester Consolidated Street Railway Co. 100 copies of the Standard Classification for \$50.00. We will ask the approval of this convention on this transaction and instruction for future guidance. The committee also authorized the sale of copies of the Classification to the McGraw Publishing Company at a discount of $33 \frac{1}{3}$ per cent. for which we will also ask your approval.

Respectfully submitted,
for the Executive Committee,

C. L. S. TINGLEY,

Chairman.

ELMER M. WHITE,
Secretary.

(On motion of F. E. Smith, the report was received and approved.)

PRESIDENT TINGLEY:—The recommendations contained in the report, I assume, will come up under new business, or did you intend to carry their approval?

MR. SMITH:—I intended that the motion should carry such action with it.

PRESIDENT TINGLEY:—The next in order is the report of the secretary-treasurer.

ANNUAL REPORT OF THE SECRETARY-TREASURER FOR THE YEAR ENDING SEPTEMBER 30, 1907.

GENTLEMEN:—I beg to submit below my annual report as secretary-treasurer which is the eleventh of the association.

We have reached the high water mark as to membership, i. e., 246, which certainly is a handsome gain over the 200 as reported at Columbus, Ohio, last year. This number is, however, small compared with what our membership should be and will be when every one appoints himself a committee of one to get right down and hustle for new members. We must have a membership of at least 500; it will be a

good thing for the new 253 and we can use their money. The more the receipts, the more the association can do for the members.

The cash statement shows only \$1,250.00 received from the "American Association" which made it necessary to keep our expenses to the very lowest limit; even then the total is nearly \$200.00 more than we received from the parent association. Our surplus or balance from 1904-5 the old association was \$1,834.37; our present balance, \$338.67. Answer, more members for the parent association.

The Standard Classification of Accounts was reprinted early this summer and the sale to non-members at \$1.00 per copy has been very satisfactory, 39 having been sold, mostly as single copies. The reprinted Classification had added to it the reports of the Classification Committee for the years 1904-5-6 which included the answers to the various questions answered by the committee and which cover many important subjects. Copies of this reprint were mailed to all members as soon as issued.

Various circulars have been issued from time to time to keep the members in touch with association affairs. The response to the request, June 15th, for Railway and Lighting Blanks was fairly well responded to. The result will be seen in the collection in the nine flexible covers, which will be found on the tables with our regular collection of blanks. The blanks are up to date and are worth your attention especially if you are interested in lighting, either electric or gas. It is hoped that progress will be made this year by the two associations toward a Standard Electric Light Classification that will conform more nearly to our "Standard"; for at the present time each company does its own harmonizing and there is therefore no standard; this is shown very distinctly in the collection of blanks.

CASH STATEMENT.

RECEIPTS.

Balance on hand from 1905-6.....	\$485 80
American St. and Interurban Ry. Association.....	1,250 00
Columbus Ohio Dinner Balance.....	10 50
Sale of Classification of Operating Expenses.....	-39 00
	<hr/>
	\$1,785 30

DISBURSEMENTS.

Expenses Columbus and Atlantic City Conventions.....	\$104 17
Meeting of Committee on Standard Classification of Accounts, Washington, D. C., October 31, November 1-2, 1906	237 16
Meeting of Executive Committee, Philadelphia, Pa., January 21, 1907	128 75

Meeting of Committee on Standard Classification of Ac-	
counts, Cleveland, Ohio, June 25-6, 1907.....	\$135 05
Salary Secretary's Office.....	600 00
Expenses Secretary traveling and office.....	241 50
	<hr/>
	\$1,446 63
Balance Cash in Van Norden Trust Co., New York.....	338 67
	<hr/>
	\$1,785 30

Respectfully submitted,

ELMER M. WHITE, *Secretary-Treasurer.*

(On motion, the report was received.)

PRESIDENT TINGLEY:—During the past year your president and your Committee on Standard Classification of Accounts have been in very close touch with the Interstate Commerce Commission, discussing the question of the modification of our existing classification to meet the requirements of that commission. I invited Professor Adams of that commission to attend the sessions of our convention. Unfortunately he was previously engaged with the steam railroads, but he has sent in his stead and as his personal representative Mr. Balch, accountant of the Interstate Commerce Commission. I will ask Mr. Balch to say a few words to us at this time.

MR. BALCH:—Mr. President and Gentlemen of the association, it is not my custom to make long speeches. I am very proud to represent Mr. Adams anywhere, and especially so at your convention. I expected that Mr. Meyers, who was formerly Mr. Adams' immediate associate at Washington, and who is now with the New York Public Service Commission, would be here this morning, and Mr. Adams has asked him to share with me the representation of the commission, and so I am somewhat restricted in my representation as I share it with Mr. Meyers; but that does not hinder me from personally expressing to you my gratitude at being here and saying a word on the topic before us.

I have been with the commission but a short time, and so, have not had time to have been greatly influenced by the association, so you must take me a little for what I was before. I came to the commission from the Rock Island Rail-

road, where I was auditor of disbursements. I would be characterized by your speaker as one of the gentlemen he mentioned who had "easy jobs," you know, with the steam railroads. But just as a type of the "simplicity" of it, I have to advise you that we set up our expenses last year so as to be able to report to fifteen different states, and set them up monthly in that manner, from which you will understand we have a few puzzles and complexities in our accounts after all.

I cannot help but mention the earnestness with which Mr. Beggs laid this entire subject of accounting before you, and the thought that impressed me all the way through his talk, and which must impress every accountant, is the idea of doing our work every day so that we will not be ashamed to unveil it to any one. I have always tried to do that, and, I had eighteen years apprenticeship in the railroad business with the Chicago & North Western Railway, which, I believe, is as clean and clear cut an institution as there is in our commonwealth. Another thought I would like to add is that we are not simply standing alone in the matter of accounts. We have come to a state of society where we must recognize that others have claims as well as we. They even have claims on us, and especially when we get into the field of public utilities; and so we must recognize that principle that demands uniformity, that demands comparison and that demands a broad spirit of fellowship such as is expressed in these association meetings and which is bound to develop and grow as we seek to accustom our ideas to those of the majority of men in our class or with whom we have to deal.

Naturally, from my experience, I am champion of the steam railroad classification, and am just now a special examiner and while your speaker (Mr. Beggs) criticizes the public accountants and expert accountants somewhat this morning, I did not take any of that criticism to myself because I am loyal to the principle which is laid down in the steam railroad classification which provides for a depreciation fund, which provides for an insurance fund and which, while it does not state the exact basis, lays down the broad principle which we must have first, and that is the opportunity to go ahead and

through individual effort put forth our best ideas, and ultimately that will result in the best uniform basis.

I must not take up your time just now, because I feel that my function at the meeting is more to meet, if I may, any need that you may feel, for an elucidation from the steam railroad side of this topic of any of the principles which are laid down in this classification. There is a feeling, as your president has said, that it does not exactly meet electrical requirements, and Mr. Adams has considered that sentiment in excluding the electric railways from reporting under this classification; so that the field is open for discussion and you are not barred from coming into the closest harmony with the steam railroad classification; there are no impediments in the way, and the whole subject must be approached, as I believe, with a broad, liberal feeling of fellowship, which I am glad to say is growing all through the country. We want to know not only what we are doing but what we are doing in comparison with others in the same class. Every accountant is proud of his own work if it is right and if he is ambitious or studious he wants to know whether he is exceeding the other fellow or whether in his own class or occupation the other fellow is exceeding him in virtuous principles.

I expect to get a better acquaintance with you through this meeting than I have now. Your faces are mostly strange to me, but I thank you very much for this opportunity to say a word, and I am at your convenience for anything that I can contribute to the convention.

PRESIDENT TINGLEY:—I want to say to Mr. Balch, on behalf of the association, that he is entirely welcome in our midst, and we hope he will consider himself one of us and at liberty to talk right out in meeting. We want to get more closely together on this subject, and we believe that Mr. Balch when he knows us better, will realize that there are a good many problems we have to meet that are undreamed of in the steam railroad philosophy.

Mr. Whipple, Chairman of the Entertainment Committee, called attention to the reception at the Marlborough-Blenheim, at nine o'clock on Tuesday evening, for the officers of the several associations and their wives. Personal invitations had

not been sent to each officer, because the committee could not locate them, but it was hoped all would be there. He also emphasized the announcement already published of the theater parties on Wednesday and Thursday evenings.

PRESIDENT TINGLEY:—I have the pleasure now of presenting Mr. Meyers, representing the Public Service Commission for the Second District of New York, who, together with Mr. Balch, represents Mr. Adams of the Interstate Commerce Commission.

MR. MEYERS:—Mr. President and Gentlemen of the association,—I am down to listen rather than to be seen and heard. The Public Service Commission for the Second District is very much interested in the questions which I understand are bringing you gentlemen together here, for the reason that it has a considerable number of electric railways within its territory and is considering the formulation of a series of accounts to be promulgated under the public service law, to be used by corporations of that character within the State of New York; and because of that fact I am here to-day to learn as much as I can concerning the views of you gentlemen with regard to uniformity of accounting for street and interurban railway companies.

I have nothing to offer to you, gentlemen. I came, as I said, purely to learn, and for that reason I shall not attempt to make you any speeches or present any suggestions to-day. I am glad to see all of you. I might stop to say now that next Tuesday we expect the representatives of some of the state railway systems of the State of New York to appear at Albany for an informal conference, and if the street railway accountants' association assembled here will favor us with one or two representatives at that meeting who will come and furnish us such suggestions as may occur to your association, we shall be very pleased to have them with us. This conference is to be held next Tuesday morning at ten o'clock, at the State Capitol, Albany, N. Y.

PRESIDENT TINGLEY:—Mr. Meyers, I want to extend to you the same invitation I did to Mr. Balch, to consider yourself one of us, and to feel perfectly free to enter our discussion, and to get to know us all.

We have with us to-day as our guest, and I hope as our old familiar friend, now, Mr. Edwards, representing the National Electric Light Association. There are many important questions which are of great interest to both associations, and we feel that we should get more closely together.

MR. EDWARDS:—It is a great favor which you have shown me, Mr. President, in permitting me to take part in these very interesting meetings. This is my second street railway convention. As I stated to you at Columbus a year ago, my purpose then was to find out the way in which these associations were managed and the part they played in the general association of the street railway business, in order that the National Electric Light Association might profit by your experience. As one result of my visit last year, the National Electric Light Association, at its last meeting in Washington, continued its committee on accounting. That committee was the first one that had been appointed for about five years. It authorized that committee to confer with similar bodies of other associations, notably the Street Railway Association, and any committee which might be appointed by the Gas Institute. They further authorized the executive committee of the National Electric Light Association to provide for separate meetings of the accountants of the National Electric Light Association, if such a movement could be started and if it seemed to the executive committee that enough companies were interested. That was a very small beginning, but I think it is pregnant with great things in accounting lines in the National Electric Light Association.

The Committee of the National Electric Light Association prepared a form of report. That report was prepared for electric light men, and the needs of street railway men were not particularly considered. It happens however that there is not very much divergence in the two forms. I have studied the street railway classification, I have compared it with the electric light classification, and it is my opinion that the differences are mostly in arrangements and nomenclature. I have no doubt whatever that if the two systems of classification are harmonized great good will accrue to

both associations. In the State of New York the Public Service Commission is authorized by law to provide a system of accounts to be kept by all public service companies. I am sure that if the street railway, the electric light and the gas companies can go before that body with a unified plan of accounting, it certainly must facilitate their work in preparing reports. If, on the contrary, these various bodies are not able to agree upon a system of accounting, we must expect that this Public Service Commission will bring about something of their own. The idea enshrined in this public service law of New York will, I believe, prevail in all the states. In fact, the public policy committee of the National Electric Light Association and the report of the Civic Federation state that in their opinion the ideal way of doing public service work is practically in the form of a monopoly with state control. If this idea prevails, and I am pretty sure it will, almost every company in every state must expect to meet with similar state bodies. My hope is that we shall be able to work with those bodies in the very best spirit. I see no reason why we should not. Surely the accountants of all these various companies should know what is necessary in the way of a report to bring out all the facts of the business and to furnish as much publicity as is necessary. So far as the National Electric Light Association is concerned, it is its aim and its hope, that it will be able to establish the very best relations in the very best spirit with these various public bodies and to be of as much service to them as it consistently can. I therefore hope that this association will appoint a committee to meet with the committee of the National Electric Light Association and also with the committee which I understand the Gas Institute will appoint at its meeting in Washington this week, and that these three committees may confer and agree upon some standard form of accounts which may equally meet the requirements of each of the interests.

PRESIDENT TINGLEY:—I think Mr. Edwards has touched upon a very important phase of the problems which confront us, namely, cooperation between these three great industries in preparing for and advising with the various com-

missions as to the formulating of the accounting system and forms of reports. Certainly we should all cooperate and pull together for the general good.

The next order of business is a paper Amusement Park Accounts, by Mr. Frank J. Pryor, Jr., Comptroller, The American Railways Company, Philadelphia, Pa.

AMUSEMENT PARK ACCOUNTS.

BY FRANK J. PRYOR, JR., *Comptroller,*
The American Railways Co., Philadelphia, Pa.

The signal progress in the development of summer amusement parks within the past few years requires that attention should be directed toward the codifying of the construction, equipment and operating accounts.

The picnic grounds, depending upon the natural scenic beauties and the single attraction of the horse or man-power merry-go-round, easily within memory, have given way to the combination of an improved, picturesque landscape, dotted with attractive buildings, and the addition of amusement features to meet the constant and increasing demand of the public. The development is in the direction of an extensive scale which involves considerable outlay of capital. The amusement park is a recognized feeder to the street railway system. Properly conducted and keen to popular requirements, the park business is gradually turning, in its ultimate results, to a profitable investment.

The active season covers a period of about fifteen weeks, wherein is tested the foresight of the management, which in the other portion of the year has been engaged in providing future entertainments for park patrons and which, until the test, are more or less of a problematical venture. The expenses of the up-keep of the property during the closed season are none the less worthy of careful consideration, so that in the combination of the two classes of expenditures, analysis is of prime importance in determining quickly the profitable or unprofitable termination of the season and the guarding of a rigorous and prudent economy.

The valuable report is the one which exhibits in requisite detail the records of the financial operation and such can be easily made applicable to park accounts.

After all, the operation of any property is based upon comparative results, and with an acceptable classification of the operating expenses, the accounting task is somewhat simplified.

It was the practice in our company to apply the total expenses in each year to an account entitled "Park Expense," and offset by the income arising from the rent of privileges, admission fees and other miscellaneous receipts. The expenses and income from the theatre

were placed to the account "Theatre." As the requirements demanded, the various items of expenses in the two accounts were analyzed and the cost of operating each amusement or attraction was ascertained. The effort was extravagant in time and labor. To keep abreast of the patronage, the expenses grew in each successive year and the necessity for the further sub-divisions of the general accounts was recognized.

As a possible aid to those interested in the subject, the scheme of classification now followed is submitted:

CLASSIFICATION OF ACCOUNTS FOR AMUSEMENT PARKS.

CONSTRUCTION AND EQUIPMENT ACCOUNTS.

Account No. 1.

ORGANIZATION.

Includes all expenses in connection with the organization of the company.

Account No. 2.

ENGINEERING AND SUPERINTENDENCE.

Includes all expenditures for service of engineers and their attendants while engaged upon preliminary work and upon permanent improvements, and the expenses incident to such work.

Account No. 3.

REAL ESTATE.

Includes the full consideration for the purchase of real estate and all expenses in connection therewith, such as cost of conveyancing, recorder's fees, commissions, etc.

Account No. 4.

BUILDINGS AND GROUNDS.

Includes full cost of all buildings, and the interior electric wiring therein, fences, dams, bridges, culverts, walks, driveways, water and sewer systems, and the original grading of the grounds.

Account No. 5.

LANDSCAPE GARDENING

Includes the first cost of additional trees, shrubbery and plants, the labor of planting, and the preparation of the lawns.

Account No. 6.**FURNITURE AND FIXTURES.**

Includes total cost of all furniture and fixtures placed in the buildings and of revenue-producing articles, such as boats, bathing suits, moving picture machines, etc.

Account No. 7.**PARK FURNISHINGS.**

Includes cost of benches, swings, waste cans and all other articles from which no revenue is obtained.

Account No. 8.**PARK EQUIPMENT AND TOOLS.**

Includes cost of horses, harness, carts, gardening and farming implements and tools of all kinds necessary for the up-keep of the property.

Account No. 9.**ELECTRIC PLANT.**

Includes cost of electrical apparatus and materials for the control, registration, transmission and use of current; overhead lines, conduits and electrical devices of every sort, interior wiring of buildings excepted.

Account No. 10.**INTEREST AND DISCOUNTS.**

Includes the payment of interest during the period of construction; the discount or premiums arising from the sale of securities for construction.

Account No. 11.**MISCELLANEOUS.**

Includes cost of all other expenditures not especially provided for.

OPERATING EXPENSE ACCOUNTS.**Account No. 12.****MAINTENANCE OF BUILDINGS AND GROUNDS.**

* Includes expenditures for labor and materials necessary for the repair and renewal of all buildings, fences, bridges, dams, culverts, walks, driveways, water and sewer systems.

Account No. 13.**MAINTENANCE OF LANDSCAPE GARDENING.**

Includes cost of preparing the grounds, the setting out and care of, or the renewal of, all plants, shrubbery, trees and lawns. The cost of seed, fertilizers, etc., should be charged to this account.

* The cost of materials includes freight and cartage.

Account No. 14.**MAINTENANCE OF FURNITURE AND FIXTURES.**

Includes cost of labor and materials for the repair and renewal of furniture and fixtures in all buildings and of revenue-producing articles, such as boats, bathing suits, etc.

Account No. 15.**MAINTENANCE OF PARK FURNISHINGS.**

Includes cost of labor and materials for the repair and renewal of non-revenue producing park furniture, located upon park grounds, such as benches, swings, waste cans, flagpoles, flags, bunting, etc., fire buckets and extinguishers.

Account No. 16.**MAINTENANCE OF PARK EQUIPMENT AND TOOLS.**

Includes cost of labor and materials for the repair and renewal of gardener's tools, hand tools of all kinds, carts, harness, gardening and farming implements.

Account No. 17.**MAINTENANCE OF ELECTRIC PLANT.**

Includes cost of labor, materials and tools necessary for the repair and renewal of all electric apparatus, including pole lines and other appurtenances. This account to be charged with all expenses of operation and distribution of the power and light circuits.

Account No. 18.**PURCHASED POWER.**

This account should be charged with all expenditures for power purchased from the manufacturing plant. This account to be credited with all current sold by the Park Company.

Account No. 19.**POLICING AND CLEANING OF GROUNDS.**

This account should be charged with the wages of watchmen, janitors and laborers in the care of the buildings, and the removal of refuse and waste paper from the grounds and paths; also the cost of policing the park.

Account No. 20.**BAND CONCERTS.**

Includes all payment for the services and the expenses of bands engaged for concerts. Receipts from the sale of seats should be credited to this account.

Account No. 21.**SPECIAL ATTRACTIONS.**

Includes payments for extraordinary free attractions, such as balloon ascensions, aerial acts, displays of fireworks.

Account No. 22.**WAGES OF MISCELLANEOUS AMUSEMENT EMPLOYEES.**

Includes wages of attendants, other than cashiers, engaged in the operation of amusements, such as the carousels, toboggans, scenic railways, etc. In reporting such disbursements the name of the amusement is to follow the classification of the account.

Account No. 23.**MISCELLANEOUS AMUSEMENT EXPENSES.**

Includes cost of all materials which enter into the operation of all amusements controlled by the company. In reporting these expenses the name of amusement is to follow the classification of the account.

Account No. 24.**PARK EXPENSE.**

Includes expenditures of park operation not otherwise provided for.

Account No. 25.**THEATRE EXPENSE.**

Expenditures with the general classification noted are to be reported with the following sub-divisions:

- a. Wages of theatre employees. To include wages paid stage-hands, ushers, ticket-sellers and doortenders.
- b. Wages of musicians. To include salaries paid to the orchestra.
- c. Wages of performers.
- d. Tickets, programs and music.

Account No. 26.**RESTAURANT.**

Expenditures with the general classification noted are to be reported with the following sub-divisions:

- a. Wages of employees. To include wages of chef, kitchen help, waiters, etc.
- b. Provisions. To include cost of meats, vegetables, provisions, general stores, etc.
- c. Supplies. To include cost of cigars, liquors, soft drinks, etc.
- d. Music. To include salaries paid to musicians and rental paid for musical instruments.
- e. Other expenses. To include all other expenses not otherwise provided for.

Account No. 27.**SALARIES OF MANAGER AND CLERKS.**

Include salaries paid to the park manager, clerks and cashiers at various amusements which are operated by the company.

Account No. 28.**GENERAL OFFICE EXPENSE.**

To include the cost of office supplies, blank forms, public telephone service, telegrams, newspapers, subscriptions and such other miscellaneous administration expenses not provided for.

Account No. 29.**STABLE EXPENSES.**

Include the cost of feed, horse-shoeing and care of horses.

Account No. 30.**ADVERTISING AND ATTRACTIONS.**

To include the salary and expenses of the advertising agent, the cost of dodgers, posters, all printing and advertising matter in connection with park affairs; also the cost of posting and distributing; donations and prizes for the purpose of attracting the general public, lodges, societies, etc. to the use of the park.

Account No. 31.**DAMAGES.**

To include all payments made in settlement of damage claims, also all expenditures in connection therewith.

Account No. 32.**RENT OF LANDS AND BUILDINGS.**

To include rentals paid for all park buildings and grounds.

Account No. 33.**INSURANCE.**

Includes payments of premiums for fire and casualty insurance.

Income Accounts.

Separate accounts to be opened for each revenue-producing building or amusement operated by the company, and credit the gross receipts from the same.

Rentals of Privileges.

Credit this account with all income from concessions.

The aim in devising the titles was simplicity, and touches upon the essential features only. In classifying disbursements, the title "Park Expense" is noted, and then follows on the significant numeral of the sub-account. Upon the general ledger the one account ("Park Expense") is active and the integral items are transferred to an auxiliary distribution book, and from this the monthly report is compiled.

A liberal and judicious issuance of job orders has enabled us to ascertain the cost of all construction and the extraordinary maintenance accounts. When any construction work is authorized, the order number is entered on the ledger, and the recurring charges entered until the completion of the job, then the cost is transferred to the proper construction account.

It has been suggested that it is not within the chartered rights of a street railway company to operate an amusement park. In a number of states a park company obtains its privileges to conduct business under a legislative concession, and if not incorporated, the title to the property cannot be held in the name of the railway company because of the restriction that such real estate is not used in the operation of the road; therefore the net income of the park is not properly an operating expense of the railway company, but should be treated as a deduction from income.

An academic discussion will produce arguments for and against the application to "Advertising and Attractions" as provided for in the classification of electric railway accounts, but the fact must be admitted that the intention in the establishment of such parks is for the purpose of inviting traffic. The railway company is benefited to the extent of the increased earnings, and the excluding of a part of the expense which influences its income is destroying the relationship between the gross earnings and the operating expenses. The expenses in question should not be considered an obligatory payment in the sense of a fixed charge.

The exorbitant and almost prohibitive premium for fire insurance, and in some cases the inability to place the risk, in part due to the situation of the park beyond the city water service; the character and transitory use of the buildings, their exposure to the elements, and loss of popularity from year to year in the amusement features, should be an adequate argument in the setting aside of a depreciation, or accrued renewal fund. Such a fund should be maintained by periodical payments, and, as the accumulation reaches a sufficient amount, it should be converted into interest-bearing securities, so that in the event of a necessity, the company possesses current funds available for the replacement.

Discussion of Mr. Pryor's Paper.

MR. DUFFY:—Mr. President, the experience I had in park accounting was simply this, the company I was associated with was standing behind the operation of an amusement park, and for very good and sufficient reasons there was no connection between the two. The company that operated the park was a separate and distinct corporation. I was quite interested in and very much impressed with Mr. Pryor's paper, as the experience he speaks of was exactly the experience I had. A complete set of accounts was worked out and the operation of the park was taken care of just the same as you would take care of any specific railway, with statements along the line suggested, so that we knew at the end of each day just where we stood. We had a form of report from which we got all the earnings, and by a system of bases with respect to the operation of the restaurant and bar and other things, we were enabled to very closely approximate our expenses, and we knew just exactly what we were doing. We were governed by the information gained from that daily report. We found it very satisfactory and very helpful.

MR. SWIFT:—Our park is operated by a separate company and we have used practically the same accounts that you have here, some of them having different names. While we only made up for the manager a weekly statement, we did know each day about what our expenses are, and the amount of our receipts. However, we made no change in the character of the amusement. We have a theater that is booked up for the entire season, and we have the shows whether we have the people or not. I regret to say that we have never carried any net earnings to the railway department. Some seasons the park did very well but the surplus would be lost in another. If we had taken a percentage of the fare received from the people that were carried down there and back again, it would have shown a large profit. We estimate about 2.5 cents for each passenger carried as really being the portion of the park expense which should have been paid by the railway company.

MR. ROGERS:—Mr. President, probably I can add something of interest on park accounting. We have two parks, one located at Newcastle and one at Youngstown and operate them under a separate park account classification very similar to what Mr. Pryor has brought before us to-day. We carry the net surplus of the parks to our income from other sources. I am glad to say we had a net surplus to carry in 1906. The superintendent of each park files a report each morning in detail of the receipts of each of the refreshment stands, theatre, dance pavilions and concessions of all kinds, these are tabulated, and we have for comparison the expenses for the same day as near as they can be ascertained. The parks are operated entirely separate and apart from the railway interests.

MR. LINN:—I would like to ask Mr. Swift what becomes of the deficit. Is it taken into the railway accounts, and if so, in what manner?

MR. SWIFT:—We have never had a large deficit. The principal trouble is that being in a city where there are summer theaters, we have had to employ very good attractions, and the expense of the theater has been large. At present the deficit stands on the books of the park. Before I was employed by our company it charged the park company interest on money advanced. We no longer charge interest on what we loaned it and the park company is gradually going to charge the deficits to a surplus.

MR. HAM:—We have just one account, “advertising and attraction.”

PRESIDENT TINGLEY:—Hasn’t that been the trouble, and is not that the reason we hear so often that summer parks do not pay, that there has just been one account and everything has been dumped into that account, and the manager does not know what attractions are paying and what are losing; what things are profitable to keep up and what things had better be cut out just as quick as they can be?

MR. SMITH:—You have some accounts, do you not, Mr. Ham?

MR. HAM:—I did not mean, Mr. President, that I did not heartily agree with this system of accounting, but simply

speaking for the Standard Classification Committee, we believe in one account. That scheme of classification permits of any elaboration that is desirable, so this is absolutely in accord with the standard classification. That is what we have always felt was one of the advantages of the standard classification, that it permitted the greatest elasticity. You could have simply the one main account or twenty or forty sub-accounts if you so desired.

MR. BROCKWAY:—Don't you think that one reason why parks are considered as not making money is the fact that everything which Mr. Pryor has put into his first eleven accounts is usually charged to advertising and attractions in the railway company operating expenses? In other words, there is no suspense made of the cost of the property. I have had some contact with parks and their accounts and I have always found that they charged everything that they spent for the parks to the operating account. I believe that would explain part of the losses.

MR. DABNEY:—Our experience with parks is very limited, Mr. President. We are perhaps fortunately situated. We have three parks on Lake Washington, but we have no attractions. We lease the water front for boating privileges, restaurants and things of that kind. Our only expense heretofore has been in the matter of band concerts, and as those were mostly on cable lines which were pretty well crowded we gave the concerts up this year, and are showing a profit in our advertising and attractions this year as there is practically no expense.

MR. WIGHT:—We have a park system, and we take a very easy way to handle it. We hire a manager who is responsible for the whole thing. The income we receive from the theater is entirely our own, and a certain percentage of all concessions. We do not bother to go through classification, as this paper shows, but we charge everything to that park. We have not thought it advisable to go into details so closely as that. We know exactly what we are getting as well as if we had the whole classification.

MR. HENRY:—Mr. President, I was just thinking that there were some companies that did not operate parks that

had a deficit in connection with a park attraction. We do not operate any park. We make donations and spend money in advertising in other ways so that in a sense would be on the deficit side of park attraction. Our income, we believe, is increased by these donations, so that the fact that you have a deficit has very little significance providing the deficit is not too large, or if there is any way of determining, as to whether the park attraction induces extra travel at that time of the year, when the cars would not probably be crowded. In the summer months in St. Louis, people of means get out of town, which is the time park attractions are given.

PRESIDENT TINGLEY:—The next order of business is the Question Box, edited by Mr. Frank R. Henry, of St. Louis.

QUESTION BOX.

Edited by FRANK R. HENRY, *Auditor*
United Railways Co. of St. Louis.

QUESTION No. 1.

QUESTION: A company which is the merger of two or more railway companies issues consolidated mortgage bonds, with part of which it purchases the bonds of one of the constituent companies.

The interest on the consolidated bonds is charged to "Bond Interest."

The interest on Bonds Purchased is credited to "Interest on Securities Owned."

In making up the Income Statement for the Consolidated Company, would it not give a truer statement of the affairs of the Consolidated Company to apply the interest on Bonds of Constituent Companies Owned, against the Bond Interest of the Consolidated Company?

ANSWER: Your Income Statement of the Consolidated Company would be a clear statement of facts by deducting the interest on Constituent Companies' Bonds, and show only the Net Bond Interest.

QUESTION No. 2.

QUESTION: What may fairly be considered the average life of a car-body?

ANSWERS The body of a city passenger car, built with wooden sills and framings, kept painted and otherwise maintained as it should be, twenty (20) years would be a fair average life.

A car built of steel sills and framings, and properly maintained, our expectations are thirty-five (35) years of service.

Taking the whole run of cars as constructed in the past, my estimate would be that a fair average life would be fifteen (15) years.

QUESTION No. 3.

QUESTION: Where a line of street railway is operated partly within and partly without the city, doing local business within the city with local fares extending into a part of the suburban section, and a division of earnings is desired as between the city proper and outside, what is the proper basis for doing this?

ANSWER: Have your trip cards arranged so that your conductors can record separately fares collected on the city and suburban end. A compilation of these figures will give you the earnings of each as near as it can be obtained.

If passengers carried per car-mile are equal in both divisions, then a division of receipts upon the basis of car-mileage would be reasonably accurate.

If passengers carried per car-mile are equal in both divisions, and all of the cars are operated as through cars, then a division of receipts upon the basis of track-mileage would be reasonably accurate.

QUESTION No. 4.

QUESTION: A system of accounting for handling express business?

ANSWER: See Verbatim Report of a Street Railway Accountants' Association of America, for Year 1903:

Papers by Mr. Irwin Fullerton, page 19; Mr. E. H. Hyman, page 39.

QUESTION No. 5.

QUESTION: What system is generally in use for receiving daily returns from conductors, and at what office are cash and tickets counted and manifests checked?

ANSWER: See Verbatim Report of Street Railway Accountants' Association of America for the Year 1903, pages 92 to 101.

The two systems as therein set forth are the ones in general use, and the principals therein laid down the ones usually followed.

PRESIDENT TINGLEY:— If there is nothing to be said on this subject I think we can pass on.

We have with us to-day, at my invitation, Mr. Steuart of the Division of Statistics and Accounts of the Bureau of Manufactures, Department of Commerce and Labor. Mr. Steuart is charged with the preparation of the forms for the next census. I would ask him to say a word or two to us.

MR. STEUART:— I desire to thank you, Mr. President, and the association, for extending to the federal government an invitation for a representative to attend your convention. I had the pleasure of attending a similar convention in 1902

at Detroit, Mich. While I was very much pleased with my reception there, and had a pleasant time, I am afraid that the results of our conference were not as effective as they should have been. I have come to this convention with a better knowledge of the magnitude of your interests, and I hope you are more familiar with the Bureau of the Census and its work. It was my idea therefore to take up a little more in detail this work with the hope of getting more interest and enthusiasm from your membership. I have just arrived on a train that reached the city at eleven o'clock. The schedules that we are going to use for the census of 1907 were in the hands of the printer when I left Washington, and I left an order for them to be mailed to me in your care. Therefore, if it would be as convenient for you to give me some time probably to-morrow, it would be of greater advantage to all parties interested.

The census office, as you know, has a very large and difficult work to perform in taking this census of electrical industries. The entire United States must be covered and returns must be secured from all electric railroad companies. The last census was the first enumeration that had been made of these interests for a number of years, and during the interim the electric railroads had come into existence. There was a great deal of difficulty in making the enumeration and the census was very expensive. I want therefore to discuss the subject somewhat in detail, and if it is convenient, would like you to give me a few minutes to-morrow after noon or at such other time as would be advisable.

PRESIDENT TINGLEY:—Certainly, Mr. Steuart, I simply asked you forward at this time in order that we might get acquainted, and we shall be glad to extend to you the necessary time at some later session of the convention when you are thoroughly prepared to go into the question.

MR. STEUART:—Well, I will be better prepared, Mr. President, by having the form here for distribution, and I think it will lead to a somewhat more intelligent discussion of it than could be had by my recounting the inquiries it includes. I again thank you for having me with you, and I hope that our conference will result in making a satisfactory census of your industry.

I was very much impressed with what Mr. Edwards said about the necessity of having some uniform system of accounting. This census extends not only to the street railways but to the central electric light and power plants, and I hope to have the cooperation of that association also. I did not attend its convention in Washington because I was on the Pacific coast at that time and we had not formulated the plans for the next census.

MR. DUFFY:—I think it would be a matter of great interest to the members if Mr. Steuart would kindly tell us when the next census is to be taken and what period it covers.

MR. STEUART:—The next census, Mr. President, is to cover the present calendar year, 1907. Under the existing laws there is to be a census of the electrical industries every five years. The last census of street railways, as Mr. Duffy will remember, covered the year 1902, but for telephone interests and electric light plants a different period was covered. This time we have brought them all together and will make the enumeration at the same time. It is our intention to mail the schedules in November or December of this year, and after the lapse of a sufficient time to send the agents into the field during the winter or early spring.

PRESIDENT TINGLEY:—On behalf of the association I want to extend to Mr. Steuart an invitation to be with us at our luncheon this afternoon.

MR. STEUART:—Thank you very much, Mr. President. I shall accept with pleasure.

PRESIDENT TINGLEY:—Is there any new business to come before the meeting?

MR. SMITH:—Is this the proper time, Mr. President, to have that committee appointed that Mr. Edwards wanted?

PRESIDENT TINGLEY:—If it is decided to have such a committee, is it the pleasure of the convention that it should be appointed now, or left to the incoming executive committee.

MR. SMITH:—In order to get the thing going, I move that the present president appoint such a committee.

MR. BROCKWAY:—Let me offer an amendment to that, that the present president appoint the committee before the close of this convention, not necessarily this morning.

MR. HAM:—I of course am perfectly willing that the present president appoint the committee, but it would seem to me more appropriate that that action should be left for the incoming president, inasmuch as the duties of the committee will be performed during his incumbency, and as he will have to carry the burdens another year than you, Mr. President, have carried so ably this year, it would seem to me that ought to be within his province rather than yours. Of course, you understand, there is no personal reason for my view.

PRESIDENT TINGLEY:—My own judgment is that the duty devolves upon the incoming president.

MR. SMITH:—My object in having the present president appoint that committee was that the members could confer with Mr. Edwards while they were all here. The new president would feel so modest, he would have to go back home and think it over and it would be months before he got that committee appointed, whereas if you do it, Mr. President, it will be attended to in a day or so.

MR. THOMAS:—I think the present president could more intelligently appoint that committee than the incoming president.

(The chair then put the question on Mr. Smith's motion, and it was carried.)

MR. HAM:—Mr. President, I hope that the tentative classification of operating expense accounts will be distributed at this meeting, and I wish to make the announcement to the convention at this time that this classification is submitted very largely for the purpose of getting the views of the association. The classification does not in all respects represent the unanimous judgment or the unanimous opinion of the committee itself, but we have thought that this offered an opportunity for every member to express himself, so that if this classification should be adopted after amendment, the amended classification would represent the best thought of the street railway accountants. Right in that connection I want to say that the classification which is now to be submitted is thought to be broad enough to cover the requirements of all electric railroads whether urban or interurban, and we want at this time to adopt a

classification which will be adequate for all kinds of electric companies. Therefore I wish that every member would take the opportunity to examine this classification as critically as he can in this one day before it is discussed, and be prepared to express his opinions most freely. It was impossible owing to the decision of the executive committee to present this report in advance.

PRESIDENT TINGLEY:—I want to second most heartily what Mr. Ham has said. We have, gentlemen, no more important problem before this Association to-day than this report. It is a matter which has been very close to your committee and your officers during the past year, and we bespeak your most careful consideration.

MR. LINN:—Did I understand that Mr. Meyers wanted a committee appointed to represent the Accountants' Association in connection with their commission?

PRESIDENT TINGLEY:—Mr. Meyers did make that request.

MR. MEYERS:—I said I would be very pleased to have such a committee appointed.

MR. LINN:—If it is in order I would make the same motion as was made before, in connection with the other committee.

MR. SMITH:—I would like to amend my moving that that committee be our classification committee.

PRESIDENT TINGLEY:—I believe that Mr. Meyers suggested a small committee.

MR. SMITH:—Then will Mr. Linn accept the amendment that that committee be appointed from the classification committee?

MR. LINN:—Well, it would seem to me an act of courtesy to allow some of the roads in New York State to be represented on that committee.

MR. HAM:—As I understand it, and probably Mr. Meyers can enlighten us,—is this to be a conference between the New York electric railroads and the Commission? Will not every New York road have an opportunity to be present independently, or is that not the intention?

MR. MEYERS:—The conference is to be purely an informal one. It is designed merely for preliminary discussion, and for that reason we have invited merely the repre-

sentatives of the larger companies of the State, five or six of them; but this conference will not do anything further than advise with the representatives of the Commission..

MR. SMITH:— My idea is that this classification committee ought to handle all of these conferences with the different commissions, that they are the best fitted to do it from the long study that they have given to these problems. You remember that I was one of the committee that went to Washington, and I felt that I was out of place there, and I was —

PRESIDENT TINGLEY:— No, you were not.

MR. SMITH:— And you had to get the other committee, and they were the only ones that could really do anything and bind the association. Therefore my idea is to give this classification committee full power to act in all these conferences, and that their action shall bind the Association. It is a good committee and you cannot get any other that will do as well. They are perfectly familiar with it, they know most of these people and they can do better work for us.

PRESIDENT TINGLEY:— That is absolutely true, Mr. Smith. There is one point, however, which the chair sees, that if your motion prevails he is bound to appoint the Standard Classification Committee. Now, it is quite possible that the Standard Classification Committee might not be able to go. They are not entirely and solely at our disposal. Their companies have some demand on their time, and they have recently been giving a very considerable amount of time to the Association. I might say that the chair would only appoint such a committee in consultation with the chairman of that committee.

MR. SMITH:— Well, I will withdraw the motion if it is going to embarrass the chair in any way.

MR. LINN:— I accept the amendment, Mr. President.

PRESIDENT TINGLEY:— Gentlemen, Mr. Linn has increased my embarrassment by accepting Mr. Smith's amendment, and the motion now is that a committee be appointed from the Standard Classification Committee to represent this Association at the conference in Albany next Tuesday with power to act,

(The motion was carried.)

PRESIDENT TINGLEY:—The chair will announce those two committees at a later session.

At this time I will announce the appointment of the following committees:

Committee on Nominations — W. B. Brockway, chairman; D. Dana Bartlett, R. D. Simms, S. C. Rogers, H. C. Walters.

Committee on Resolutions — P. S. Young, chairman; Frank Dabney, A. H. Kayser, P. J. Balaguer, W. G. McDole.

The chair would call your attention to the joint session of all the associations in the large assembly room just over the main entrance of the Steel Pier to-morrow morning, at which we are all urged to be present.

If there is no further business to come before this session we will stand adjourned, to reconvene at 2 p. m. in the Chevy Chase Room of the Hotel Marlborough for luncheon.

WEDNESDAY AFTERNOON SESSION.

OCTOBER 16, 1907.

President Tingley called the meeting to order at three o'clock.

PRESIDENT TINGLEY:— Before we take up our regular program there are one or two matters which call for attention.

The American Association at its session this morning adopted the following amendment to its by-laws:

"Article VI. Paragraph a of the By-Laws of the American Street and Interurban Railway Association to be amended to read as follows:

"The entire charge and management of the affairs of the association shall be in the hands of the executive committee which shall consist of the president, the vice-presidents and one member appointed by each of the affiliated associations and all of the past presidents of the American Street and Interurban Railway Associations and its predecessor, the American Street Railway Association, these past-presidents to be honorary members of the executive committee but without the power to vote at meetings of the committee. The executive committee shall make arrangements for carrying out the objects of the association."

It also passed a resolution recommending that each of the affiliated associations adopt similar amendments to its by-laws. Under our by-laws we can only amend upon giving thirty days' notice. It would seem to the chair, unless there is some discussion to be had now on this question, that a motion to refer this to the Committee on Resolutions for their consideration and report, might be in order.

MR. BROCKWAY:— I move it be referred to the incoming executive committee.

PRESIDENT TINGLEY:— It is moved by Mr. Brockway that this question be referred to the incoming executive committee to properly formulate the resolution and to give the requisite thirty days' notice to bring it before the convention next year.

(Motion carried.)

PRESIDENT TINGLEY:— Mr. Steuart of the Census Bureau, who was unable to proceed with his remarks yesterday owing to a lack of material, is now ready to talk to us.

REMARKS BY MR. STEUART ON CENSUS WORK.

Mr. President and Gentlemen:— Judging from the array of books and blanks here you have a lot of work to do this afternoon, and I will try to finish in a very few moments. Yesterday I made the statement that I was somewhat disappointed in results of the conference with you at your convention in Detroit. I think that statement should be explained. I was not disappointed in the result of my conference, but I was disappointed that the Bureau of the Census was not able to make a more rapid and thorough census of such a great industry as you represent. I think that the difficulty was due largely to the fact that your association was not acquainted with the work of the census and that the census was not familiar with the magnitude of the interests that you represent. Therefore I have prepared a brief statement of the census work, which it will take about five minutes to read, and I would like to do so.

Every large industrial enterprise has a statistical department. It may not be known by that name, but there is some official who can furnish the management with figures showing various phases of the year's transaction. It is essential to the proper conduct of a railway system, and certainly to the conduct of a company operating a number of systems, that exact record be kept of the various items of income and expenditure. When these amounts are placed in comparison and averages and proportions computed, and curves and charts based upon them the compilation goes beyond ordinary bookkeeping and enters the realm of statistics. Statistics are more extensive than the results of bookkeeping, and derive their chief value from comparison with data showing conditions at former periods, or with conditions in different localities.

You can appreciate the value of statistics which illustrate in detail the conditions prevailing in the different departments of your own companies. The statistics compiled by the Federal Government are just as essential to a proper understanding of the conditions prevailing in each state and throughout the country as those compiled by your respective companies are to the proper conduct of your business.

None of us would be satisfied without government if it did not enumerate the population at stated intervals and publish not only the total number of inhabitants but the number of males and females,

and of native and foreign born citizens, with the deaths from various causes in different sections of the country. Some of you may think that such an enumeration and analysis of the population should be the extent of the statistics compiled by the government. This showing, however, would be only one side of the balance sheet—it would merely show the amount and character of human energy available for the development of our resources, with the average yearly losses and causes thereof. The other side of the balance sheet contains information as to the extent of the use that has been made of this energy, the character of its employment, and the results of a multitude of enterprises that make ours a leading nation, not only in numbers, but in economic and political power. These invaluable facts can be shown only by ascertaining for instance, the number of farms and the quantity and value of the different crops, the number of mines and the quantity and value of their products; the number and magnitude of the various manufacturing and commercial enterprises, and the extent of the internal, coastwise and foreign commerce of the country. A statistical presentation of achievements in other fields of human endeavor would probably also be necessary to a proper showing of the importance and growth of the United States even to ourselves. The sum of them all must then be placed in comparison with the growth and character of our population and the interesting deduction compared with a similar showing for other nations, that it may be judged by a world-wide standard. It is needless for me to say that we would be proud of the comparison, leading as we do, all civilized nations in virtually every respect.

In magnitude and diversity of industries the United States is at the head of nations; this may be known from a general comparison, but we would have no accurate idea of our relative importance in a variety of important respects if the census did not cover the different branches of industry. The industrial census not only shows the extent of the operations in the United States as a whole, but also the relative importance of the industries in the different sections of the country, where the greatest amount of capital is invested, where the largest number of wage-earners are employed and various other facts necessary to a proper understanding of industrial development. The collection of data on such a vast scale is necessarily expensive and the Federal and State governments expend annually for this purpose a sum many times greater than the amounts expended by any other nation for the same purpose.

Of the numerous factors that have contributed to the rapid development of the industries of the United States I know of none that have taken a more prominent part than the utilization of electric energy. The industries depending upon it have assumed such great importance that Congress took cognizance of them and provided that at stated periods there should be a census of the electric industries thus placing them on an equal footing with the mining, manufacturing, steam railroad and water transportation interests.

Electric railways central electric light and power stations and telephones and telegraphs are the only users and distributors of electric current that are included by the census in this group of industries, and under the present laws a census must be made of them every fifth year. There are various uses of electric energy besides those embraced by this specific inquiry, and some of them are included in other branches of the census, but the enumeration, which will cover the present calendar year will be confined to the railways, central stations and telephones and telegraphs.

The census of 1902 was the first taken since electricity was used to any extent as a motive power. Few persons had any conception of the magnitude of the interests involved.

The totals disclosed by the census reports showed a vast industry that had been developed within less than a quarter of a century; one that was still far from maturity; one that had just begun to demonstrate its possibilities; and was indeed approaching an unprecedented magnitude. The census which is now about to be taken will show the extent of the increase during the five years, and I am satisfied that there are few, if any, industries of the country that will show such a great development.

Electric railways represent an important, in some respects the most important, branch of these statistics. It therefore is essential that a complete enumeration be made of them, and I am here for the purpose of soliciting your cooperation to make the census complete. I believe it will be a gratification to all of you to be able to study series of statistical presentations, similar to those contained in the last census report, which will show the details of your industry throughout the country during the period when its development was at the highest pressure.

The electric roads have long since passed beyond the limits of the cities; they are no longer merely street railways but are rapidly coming into competition with steam roads for interurban traffic, and in turn the steam roads are adopting electric energy as a motive power. The electrics are also becoming interstate common carriers, and are thus assuming new and greater responsibilities. None of us dreamed of such a development as occurred during the 20 years ending with 1902, and perhaps few, if any, of us have a conception of the increase and changes that will occur during the next 20 years.

The primary object of the census is to show the magnitude of the various industries of which it takes cognizance. The reports of the separate companies as individuals are combined so as to show the totals for the different States and for the entire country. This policy was followed in treating the financial statistics of the electric railways at the last census and would also have been followed in the presentation of the statistics of miles of track, other physical equipment and capital stock. It was stated, however, that these facts were constantly officially made public by the companies, and that some mention of the separate companies was necessary in order to show

which were included. The companies consulted expressed a perfect willingness to have such features published, but if any company objects, their individual data of this character will not be shown in the forthcoming census.

What I desire to emphasize is that the information furnished by each company will be considered by the census bureau absolutely confidential; that no one other than the sworn employes of the office will have access to the reports; that the data will be used only for the statistical purposes for which it is furnished and that no publication will be made whereby the financial operations of any company can be identified. So far as the census of industries, such as this, is concerned the census office has no connection with the work of any other bureau of the government. The reports are retained exclusively in its own files and consulted only by its own employes. Some companies do not object to the publication of all of the information they furnish, but others do. Therefore the office has adopted the uniform rule of treating all reports as confidential.

At the last census the schedules were delivered by a special agent of the census to each company, and it was the duty of the agent to remain with the company until he secured the reports. This practice was followed because we presumed that the agent would be of assistance in preparing the schedules. Many companies took exception to this practice and contended that the blank schedules should have been mailed them several weeks before the expiration of the year and they would have had them prepared and returned by mail. Therefore the practice will be reversed at this enumeration and the blanks will be mailed directly to each company.

The financial statistics for a large number of operating companies were prepared at the office of the controlling company, which was, in many instances in a city at a great distance from the place in which the road was located. A report of the equipment was obtained by the agent at the location of the road and the schedule sent for completion to the agent working in the city where the financial information was supposed to be complied. It was frequently found, however, that the financial office did not have complete data and the schedule had to be sent back and forth between the two offices. This was very expensive and resulted in great loss of time. At this census the schedules will be sent to the controlling company in the first instance.

The form of accounting promulgated by your association will again be used in collecting the financial statistics. I must say, however, that I was very much disappointed at the last census to find such a small percentage of the companies using the form, probably not more than 15 or 20 per cent. in all of its detail. Members of your own association told the census agents that while they thought the form was very good, their companies had not deemed it advisable to adopt it. It was at our urgent request that the form was adopted by the railroad commissioners in some of the States, and practically all companies

were advised that it was the purpose of the census to follow it in subsequent enumerations; some of them expressed an intention to adopt it. I hope that your association has continued missionary work to good effect during the five years and that at this census we will find a much larger proportion than at the previous censuses of companies with accounts from which the data can be compiled without difficulty. You can well appreciate the difficulty incident to the compilation of a report for a year's transactions in the use of your form of accounting, by a company that had never heard of it, or if it had, had given it no attention whatever. I have been very much interested in reading the letters from the census agents recounting the difficulties they had at the last census in applying this form of accounting. In some instances it took days to prepare the report for a very small and unimportant system. This coupled with the fact that some of the large companies that took great care to follow the accounting system were utterly indifferent to the preparation of the census reports, made the canvass very expensive.

While the laws of the United States provide for this census, the office recognizes the fact that to be of value statistics of this character must be furnished voluntarily. The practice of the office has been of necessity to make repeated requests for the report and at length they are secured. But the necessity of making six or a dozen requests for the report is very annoying to the company, embarrassing to the Census Office and expensive to the Federal Government. We can readily understand how it may not be convenient for a company to prepare a census report immediately upon receipt of the request for it. The necessity for the delay of a day or two or even of a week or a month can be appreciated, but when the time is extended to many months, or even to a year, the endurance of the office is about exhausted. Such delays lead to the conclusion that the company does not intend to make the report, but does not care to specifically and unequivocally refuse to furnish the information. It is hoped that the matter contained in the last census report was of sufficient importance to make you feel that the requests for reports for this enumeration should receive prompt attention. If the reports are made promptly, the force of the Census Office will be worked to the utmost to present a prompt and interesting publication of the statistics.

I am here to consult you in regard to the form of the census schedule. We desire to decide upon a series of questions that can be most readily answered by all companies and which will develop the most instructive data. The office desires to secure your cooperation in this great undertaking, and I have endeavored to give you a frank statement of the interests involved, and the conditions under which the census is to be taken. It is not often that the government consults in this frank and general way with the interests involved before embarking upon a census, and I trust you will appreciate the spirit in which we come to you and that you will meet us at least half way.

(Mr. Steuart, continuing) :— I have distributed the blank schedules with a view of obtaining criticism of their form and the questions they contain and any suggestions you gentlemen would like to make in regard to the work of the census. Many of you came in contact during the last census with the agents of the office, and if there is anything that you think would lead me to a better understanding of what they did and assist me in conducting the canvass this time, I hope you will give us the benefit of it.

[Tentative Schedule.]

DEPARTMENT OF COMMERCE AND LABOR,
BUREAU OF THE CENSUS.

CENSUS OF ELECTRIC RAILWAYS.

(Separate reports should be made for nonoperating lessor companies, showing answers to inquiries 1 to 4, inclusive, 8, 20, 22, 23, and 24.)

Name of Company,

..... State, City,

General offices at

.....

WASHINGTON, D. C., December 31, 1907.

The act of Congress of June 7, 1906, directs that the Bureau of the Census make a census of street railways every five years, and the following schedule has been formulated for that purpose.

The information returned on this schedule should cover the business year of the company most nearly conforming to the year ending December 31, 1907. All questions that require a fixed time, such as mileage or track, cash on hand, etc., should be of the date of the last day of the year covered by the report.

The answers to inquiries in regard to financial matters, other than capitalization, will be held absolutely confidential. The separate reports will be combined so as to show totals for all companies in the different states. No publication will be made in the Census reports disclosing the operations of individual companies. The information will be used only for the statistical purposes for which it is given.

S. N. D. NORTH,
Director of the Census.

Extract from Act of Congress, March 3, 1899:

SEC. 22. * * * "And every president, treasurer, secretary, director, agent, or other officer of every corporation, and every establishment of productive industry, whether conducted as a corporate

body, limited liability company, or by private individuals, from which answers to any of the schedules, inquiries, or statistical interrogatories provided for by this act are herein required, who shall, if thereto requested by the Director, supervisor, enumerator, or special agent, willfully neglect or refuse to give true and complete answers to any inquiries authorized by this act, or shall willfully give false information, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding ten thousand dollars, to which may be added imprisonment for a period not exceeding one year."

CERTIFICATE.

THIS IS TO CERTIFY that the information contained in this schedule is complete and correct to the best of my knowledge and belief, and it covers the period from , 190.., to , 190..

.....
 (Signature and official designation of the person furnishing the information.)

.....
 (Signature of Special Agent.)

1. If a consolidated company, give names of constituent companies included in this report,.....
2. If a controlling company, give names of constituent companies included in this report,.....
3. If a reorganized company, give name of original company,.....
4. If a subsidiary or leased company, give name and address of owning company or lessor,.....
5. Is electric current generated for sale for light or power?.....
 If so, is there a separate power plant or line construction?.....
 Is data for electric light or power plant included in this report?

(Separate reports should be prepared for electric light and power plants on form If it is not possible to make separate reports, one report may be made on this schedule for the railway and light and power plants.)

6. Give name of city or cities in which the road is operated, and if in rural districts name the towns and counties,.....
7. If track extends into more than one state, give the number of single-track miles* in each state.

* Length to be stated in miles and decimals of a mile carried to two places.

8. TRACK. (Length in single-track miles.)*

CLASSIFICATION BY CHARACTER AND OWNERSHIP.	Owned.	Leased.	Operated under trackage rights.	Total operated.
Length of road (first main track).....				
Length of second main track.....				
Length of sidings and turnouts.....				
TOTAL				
CLASSIFICATION BY KIND OF SYSTEM.				
Operated by:				
Overhead trolley.....				
Conduit trolley.....				
Third rail.....				
Cable.....				
Steam.....				
Animal.....				
Other (state kind).....				
TOTAL				
				Number of single-track miles.*
Constructed and opened for operation during year.....				
On private right of way owned by company.....				
On private right of way <i>not</i> owned by company.....				
Within city or municipal ordinance limits.....				
Weight of steel rails per yard, maximum (pounds)....., minimum (pounds).....				
Style of rail (girder, tee, center groove, full groove, etc.).....				

9. ELECTRIC LINE CONSTRUCTION.

	LENGTH OF LINE, MILES.*			
	Total.	Span wire.	Side bracket.	Center pole.
Overhead trolley.....				
Miles of line with steel or iron poles*.....				
Miles of line with wooden poles*.....				
Number of poles to the mile.....				

L * Length to be stated in miles and decimals of a mile carried to two places.

10. FEEDER CONDUIT SYSTEM (Length in miles).*

	Miles of street occupied.	Total miles of duct.
Concrete.....		
Terra cotta and vitrified clay.....		
Iron pipe, plain or lined with cement.....		
Wooden duct, etc.....		
Total.....		

II. CARS.

	Total number.	Motor cars, number.	Trailers, number.
Closed passenger cars.....			
Open passenger cars.....			
Combination cars (open and closed).....			
Combination cars (passenger and express).....			
TOTAL PASSENGER CARS.....			
Express, freight and mail cars.....			
Work and miscellaneous cars.....			
TOTAL CARS.....			
Snow plows.....			
Sweepers.....			
Locomotives (steam or electric [state kind]).....			

12. EQUIPMENT OF CARS.

	Number.
Equipped:	
With fenders.....	
With hand brakes.....	
With air brakes.....	
With other mechanical brakes.....	
With electric heaters.....	
With stoves or other heating systems (specify kind).....	
Lighted by electricity.....	
Lighted by oil, gas, etc.....	

(If cars have more than one variety of equipment they should be reported for each.)

* Length to be stated in miles and decimals of a mile carried to two places.

13. TRAFFIC AND MILEAGE.

	Number.
Fare passengers carried.....
Transfer passengers carried.....
TOTAL PASSENGERS CARRIED.....
Passenger-car mileage.....
Freight, mail, express, and other car mileage.....
TOTAL CAR MILEAGE.....
Passenger-car hours.....
Freight, mail, express, and other car hours.....
TOTAL CAR HOURS.....

14. ACCIDENTS.

	NUMBER.	
	Killed.	Injured.
Passengers.....
Employees.....
Other persons.....
TOTAL.....

15. POWER PLANT EQUIPMENT.

GENERATING POWER PLANT.	Number.	Total capacity in horse-power.
Steam engines:		
500 H. P. or under.....
Over 500 H. P. and under 1,000 H. P.....
1,000 H. P. and under 2,000 H. P.....
2,000 H. P. and over.....
Water wheels:		
500 H. P. or under.....
Over 500 H. P. and under 1,000 H. P.....
1,000 H. P. and under 2,000 H. P.....
2,000 H. P. and over.....
Gas engines.....
Auxiliary engines for use within plant as accessories, etc.....

16. ELECTRICAL GENERATORS.

	Number.	Total capacity in kilowatts.	Indicated voltage.	Indicated amperage.
DYNAMOS, direct current:				
500 H. P. or under.....				
Over 500 H. P. and under 1,000 H. P.				
1,000 H. P. and under 2,000 H. P.				
2,000 H. P. and over.....				
DYNAMOS, alternating current:				
500 H. P. or under.....				
Over 500 H. P. and under 1,000 H. P.				
1,000 H. P. and under 2,000 H. P.				
2,000 H. P. and over.....				
TRANSFORMERS.....				
Storage battery, cells.....				
Boosters for outside feeders.....				
Auxiliary generators for use within plant.....				
ROTARIES.....				

17. OUTPUT OF STATION.

Kilowatt-hour, average per day.....				
Kilowatt-hour, total for year.....				
Horsepower hours of current, average per day.....				
Horsepower hours of current, total for year.....				

18. SUBSTATION EQUIPMENT.

	Number.	Total capacity in kilowatts.	Indicated voltage.	Indicated amperage.
ROTARY CONVERTERS, etc.....				
TRANSFORMERS.....				
Storage battery, cells.....				
Miscellaneous (specify kind).....				
Electric motors used in plant or substation for miscellaneous work:				
Direct current, number....., horsepower.....				
Alternating current, number....., horsepower.....				

19. MISCELLANEOUS STATISTICS.

	Number.
Transfer points.....	
Stations.....	
Power houses.....	
Car houses.....	
Lamps used in lighting buildings, shops, car houses, and ways:	
Arc lamps.....	
Incandescent lamps.....	
All others (specify kind).....	
Miles of exclusive telephone line in use for operation of road.....	
Miles of subway occupied by tracks.....	
Steam railroad crossings protected.....	
Steam railroad crossings unprotected.....	
Are mails carried for the Government?.....	(Answer Yes or No.)
Does the company own or operate any parks or pleasure resorts?.....	; if so, give number, ; cost or investment, \$; if hired, the annual rental, \$
Estimate of number of visitors annually.....	
General description of the resorts.....	
.....	

20. COST OF CONSTRUCTION AND EQUIPMENT.

The answer must show the total cost of organization, engineering and superintendence, right of way, track and roadway construction, electric-line construction, real estate used in operation of road, buildings and fixtures used in operation of road, investment real estate, power-plant equipment, shop tools and machinery, cars, electric equipment of cars, miscellaneous equipment, interest and discount, and miscellaneous. (Do not include estimated value of franchise.)

Cost during the year.....	\$.....
Cost to date.....	\$.....

21. OPERATING EXPENSES.

Maintenance:		
Ways and structures—		
1. Maintenance of track and roadway.....	\$.....	
2. Maintenance of electric, cable, etc., lines.....	\$.....	
3. Maintenance of buildings and fixtures.....	\$.....	
TOTAL.....	\$.....	
Equipment—		
4. Maintenance of steam plant.....	\$.....	
5. Maintenance of electric, cable, etc., plant.....	\$.....	
6. Maintenance of cars.....	\$.....	
7. Maintenance of electric, cable, etc., equipment of cars.....	\$.....	
8. Maintenance of miscellaneous equipment.....	\$.....	
9. Miscellaneous shop expenses.....	\$.....	
TOTAL.....	\$.....	

21. OPERATING EXPENSES — *Continued.*

Transportation:		
Operation of power plant—		
10. Power-plant wages.....		
11. Fuel for power.....		
12. Water for power.....		
13. Lubricants and waste for power plant.....		
14. Miscellaneous supplies and expenses of power plant.....		
15. Hired power.....		
TOTAL.....		\$.....
Operation of cars—		
16. Superintendence of transportation.....		\$.....
17. Wages of conductors.....		
18. Wages of motormen.....		
19. Wages of other car-service employees.....		
20. Wages of car-house employees.....		
21. Car-service supplies.....		
22. Miscellaneous car-service expenses.....		
22a. Hired equipment.....		
23. Cleaning and sanding track.....		
24. Removal of snow and ice.....		
TOTAL.....		\$.....
General:		
25. Salaries of general officers.....		
26. Salaries of clerks.....		
27. Printing and stationery.....		
28. Miscellaneous office expenses.....		
29. Stores expenses.....		
30. Stable expenses.....		
31. Advertising and attractions.....		
32. Miscellaneous general expenses.....		
33. Damages.....		
34. Legal expenses in connection with damages.....		
35. Other legal expenses.....		
36. Rent of land and buildings.....		
37. Rent of tracks and terminals.....		
38. Insurance.....		
TOTAL.....		\$.....
GRAND TOTAL.....		\$.....

Wages, supplies, and expenses, incidental to electric service not included in any other of the above items*..... \$.....

22. INCOME ACCOUNT.

INCOME.

Passengers.....		\$.....
Chartered cars.....		
Freight.....		
Mail.....		
Express.....		
Sale of electric current for light or power.....		
Interest on bonds and dividends on stock of other electric railways.....		
Income from other permanent investments.....		
Miscellaneous (specify items).....		
TOTAL.....		\$.....

*For roads that sell light or power.

EXPENSES.

Total operating expenses.....		\$.....
Taxes:		
Real and personal property.....	\$.....	
Capital stock.....		
Earnings.....		
Miscellaneous (specifying items).....		
Interest paid or due for the year:		
Funded debt.....		
Real estate mortgages.....		
Floating debt.....		
Rent of leased lines and terminals.....		
Miscellaneous (specify items).....		
TOTAL		\$.....
Net income.....		\$.....
Net deficit.....		

23. BALANCE SHEET.

ASSETS.		LIABILITIES.	
KIND.	Amount.	KIND.	Amount.
Cost of construction, equipment and real estate.....	\$.....	Capital stock.....	\$.....
Stocks and bonds of other electric railway companies.....		Funded debt.....	
Other permanent investments.....		Reserve.....	
Cash on hand.....		Bills and accounts payable.....	
Bills and accounts receivable.....		Interest due.....	
Supplies.....		Dividends due.....	
Sundries (specify items).....		Sundries (specify items).....	
Profit and loss deficit.....		Profit and loss surplus.....	
TOTAL	\$.....	Total	\$.....

24. CAPITAL STOCK, BONDS, DIVIDENDS, AND INTEREST.

	Number of shares or bonds.	Total par value.	DIVIDENDS AND INTEREST PAID OR DUE FOR THE YEAR.	
			Rate.	Amount.
Authorized capitalization:				
Common stock.....	\$.....		\$.....	
Preferred stock.....				
Bonds.....				
Capital stock and bonds outstanding:				
Common stock.....				
Preferred stock.....				
Bonds.....				

25. EMPLOYEES, SALARIES, AND WAGES.

	Average number employed during the year.	Total amount paid in salaries and wages during the year.
Salaried employees:		
Salaried officers of corporation.....		\$.....
Other officers (managers, superintendents, etc.).....		
Clerks and bookkeepers.....		
TOTAL.....		\$.....
Wage-earners (do not include salaried employees reported above):		
Foremen.....		\$.....
Inspectors.....		
Conductors.....		
Motormen.....		
Starters.....		
Watchmen.....		
Switchmen.....		
Road and trackmen.....		
Hostlers, stablemen, etc.....		
Linemen.....		
Engineers.....		
Dynamo and switchboard men.....		
Electricians.....		
Firemen.....		
Mechanics.....		
Lamp trimmers.....		
Other employees.....		
TOTAL.....		\$.....

REMARKS:

Discussion of Mr. Steuart's Remarks on Census Work.

MR. SMITH:—In section 8, under “Track,” you have “Length of second main track” and “Length of sidings and turnouts.” I would like to know where you draw the line between second track and sidings. That came up I think when I was preparing this for you down in Lynn, and if I remember rightly you said 250 feet or something of that sort. It seems to me you ought to print right here what is to be the dividing line between second track and a siding.

MR. STEUART:—I am free to say, Mr. Smith, that I would not like to state definitely what should be the difference between main track and siding on the road you refer to.

MR. SMITH:— We had what we considered sidings, you know, but they occupied perhaps two city blocks. Now, so far as that particular street in that city was concerned, it was a double track. You ought to define it in some way.

MR. STEUART:— Siding is a portion of the track that is not used for regular traffic.

MR. SMITH:— Oh, they use it for passing on single track lines, you know.

MR. STEUART:— Yes, I know, but not for the independent running of cars.

MR. SMITH:— Well, take it in small cities. We had some in Chelsea and Revere, Mass. As far as that particular street was concerned it might be double track for the whole length of the short street, but we considered it a siding. It was just a passing point for cars.

MR. STEUART:— If your company so considers it I think it is proper for you to report the track as sidings.

MR. SMITH:— I am not with that company now, but there must be lots of companies that have that difficulty.

There is just one more thing under section 13. You do not include provision for free passengers. Where are you going to put them? We carried last year 2,360,000 and odd free passengers. When we figure our percentage of transfer passengers carried we have to include those free along with the fare, because the free passenger gets a transfer and uses it. It seems to me you ought to make provision for the free passengers.

MR. STEUART:— I had that in mind when we drew the schedule, but I thought it added another question and made more detail for the companies to report, therefore it was omitted. If you consider them as fare passengers because they get a transfer I should report them as fare passengers.

MR. SMITH:— No, that wouldn't be right. If you add that 2,360,000 to our fare passengers it makes our average fare lower than it really is. You ought to put them right in where they belong.

MR. STEUART:— Am I to understand that you recommend our putting another question in the blank for free passengers?

MR. SMITH:—Under the title "Traffic and Mileage," in the total passengers carried, I would say "Fare passengers carried," "Free passengers carried," "Transfer passengers carried."

MR. BALAGUER:—I would like to ask Mr. Smith why they should show transfers on the free passenger. Is there any special reason for it?

MR. SMITH:—Oh, yes. These things (showing some free tickets) cost money and the transfers do not cost anything.

MR. BROCKWAY:—Referring to sections 15, 16 and 17, which relate to the power house, I notice you use horse power as an equivalent instead of the kilowatt. You may have a special reason for that, but in the trade that is known always as kilowatts, which is an entirely different calculation. I believe the percentage is 746, something like that; so that in using your statistics afterwards the calculation has always got to be made.

MR. STEUART:—In section 15 we have horse power, but in inquiry 16 it is kilowatts.

MR. BROCKWAY:—No, you have horse power here.

MR. STEUART:—Well, that is a mistake. We call for the capacity, in kilowatts, as you see by the vertical column. The horse power was used at the last census and we had so much difficulty in obtaining the horse power of the generators that we decided this time to have the capacity reported in kilowatts, and I see that the clerk who redrafted the schedule has put the kilowatts at the top of the vertical column but has not changed it in the other.

MR. BROCKWAY:—I wanted to point that out, because if you use kilowatts it makes the information much more useful.

MR. DABNEY:—The same in section 18, "Substation Equipment," horse power, a.c. and d.c. That ought to be changed.

MR. BROCKWAY:—That applies to the last two lines in 17 also.

MR. JACK:—In section 15, "Steam engines," "Water wheels" and "Gas engines," under which of those heads are you going to include steam turbines?

MR. STEUART:—I should put it under the steam engines. If you have steam turbines, in making up the schedule, it would be very nice if you would simply make a memorandum that it is a steam turbine. I think it would be of interest to all of you to know to what extent steam turbines are now being used, not only in the street railways but in the central electric power plants.

PRESIDENT TINGLEY:—I would suggest, Mr. Steuart, that the steam turbine is coming into such general use it might be advisable to make a heading for that. You will find, I think, as many, if not more, of them than of water wheels.

MR. EDWARDS:—I would like to request of Mr. Steuart that he make a separate classification for steam turbines. It is very interesting to watch their development, and I rather hope that the census will cover that point very specifically.

MR. STEUART:—You would want that in your electric light schedules also?

MR. EDWARDS:—Yes, I would. I should like to ask Mr. Steuart one more question. In his income statement, section 22, he includes "Sale of electric current for light or power." Does he mean electric current sold en bloc to some other operating company, or distributed generally to customers?

MR. STEUART:—No, that was the idea, en bloc.

MR. EDWARDS:—Well, I would suggest, Mr. Steuart, if it can be done, that that be stated clearly, the "Sale of electric current for light and power to other public service corporations,"—that would be descriptive.

MR. DABNEY:—Would it not be well also to designate whether it be a railway or a lighting company?

MR. HAM:—I would suggest, in view of the importance of this subject and the fact that the convention as a whole can scarcely do justice to it, that the chair appoint a special committee of three to go over this report, and before the close of this convention have them consult with Mr. Steuart and suggest any changes in the schedule that seem desirable.

MR. LINN:—I would amend that, that the Committee on Standard Forms of Account take charge of it.

MR. HAM:—I think it would be unnecessary to throw that burden upon the Classification Committee. It has about all it can handle, and I think a special committee could deal

with the subject even better than the Standard Classification Committee.

MR. BALAGUER:—I second Mr. Ham's motion.

MR. STEUART:—That being the case, Mr. President, I think I have nothing further to say.

MR. DUFFY:—I would like to ask Mr. Steuart a question. Isn't this substantially about the same form you used before?

MR. STEUART:—No. The form we used before had 38 questions in it, as I remember, and we have reduced them to 25. I am perfectly willing to reduce it further if you are of the opinion that the information that is sought by the remaining questions is not of the character that the industry is interested in. The object of this census, Mr. Duffy, is, of course, as I have stated, to show the magnitude of the industry, but at the same time we do want to get at some facts that are of value to the people who are engaged in it.

MR. BALAGUER:—I would like to ask if this is going to be simply a street railway census, or is it going to take in electric lighting and gas propositions, which the street railway people have at this day become very largely associated with.

MR. STEUART:—It will deal entirely with the electrical part of it, street railways, central electric light stations, telephones and telegraphs.

MR. BALAGUER:—Not dealing with steam heat, or water or gas?

MR. STEUART:—Well, if an electric light plant furnishes steam heat, I suppose it will have to include some of the facts of the plant value represented by the steam heating plant.

MR. DABNEY:—Put it under "miscellaneous."

MR. BALAGUER:—"Miscellaneous" is all right for street railway people but not for steam heat people, who like to get a unit of comparison the same as anybody else.

MR. STEUART:—Before I leave I would like to emphasize what I said in regard not only to the confidential character of the information that is furnished, but the fact that the schedules are retained in the office. No one else looks at them, and the individual is lost in the tabulation. We combine everything, and if there are any companies that have an idea that the information they furnish us so dominates the information for other companies in the same state that the matter should

not be published, certainly we would regard their wishes in that respect.

I wish to thank you, sir, and the association, for allowing us to present the matter to you.

PRESIDENT TINGLEY:— We are only too happy, Mr. Steuart, to have had you give us this talk and to cooperate by every means within our power in facilitating the work of your census.

The next item on our program is a paper, "Mechanical Devices and Other Office Appliances" by F. E. Smith, Auditor for the Receiver of the Chicago Union Traction Company.

MECHANICAL DEVICES AND OTHER OFFICE APPLIANCES.

By F. E. SMITH, *Auditor for Receiver,*
Chicago Union Traction Company, Chicago, Ill.

The substitution of machines for manual labor, and in the case of the computing machines for mental work also, has become so general it is fitting that the matter be taken up by our association, which stands for all that improves the conditions in the accounting departments of street and interurban railways. It will be conceded that any device which will permit the accountant to decrease the expense of his work without impairing its efficiency, or to increase the volume of statistics which he may prepare for the heads of departments without increasing the salary roll materially, is worthy of general adoption. The value of a statement showing the earnings per car-mile and the number of passengers handled on any route is very greatly diminished if the facts it contains are not given to the operating department early enough on the day following the date for which the statement is made to permit that department to make adjustments of the schedule which may be necessary to meet the altered conditions. If there are machines which will assist to that end is it not in the interest of good railroading to adopt them?

While it has been the policy of our association to refrain from advertising the product of any particular manufacturer, it was the idea of the writer that an article of this kind would be valueless to members unless the name of the manufacturer of the machine were given in connection with the description of its work. This idea having been endorsed by your president, the names of manufacturers will be given but it is not intended that this mention shall constitute an endorsement of these particular machines as the best; it may well be that the writer has not had some of the best machines brought to his attention.

In discussing this subject it is but natural to describe first such machines as have become familiar through use in one's own office.

No claim of superiority is made for these particular machines, but they have been found to be very satisfactory.

TYPEWRITERS.

Typewriters are in such general use that any description of them is entirely unnecessary and it is the purpose to describe only such special features as have come under my notice that facilitate the work, and those machines that seem particularly adapted for some special purpose.

Several makes of machines, among them the Remington, Elliot-Fisher and Fay-Sholes now have an adding-machine attachment that will pick up the sums written upon the typewriter when in certain positions and accumulate them upon a register. I understand that the Underwood Company also has an attachment invented by Messrs. Wilson & Neal, of the Boston Elevated Railway Company, that has not, as yet, been put on the market. In these machines the figures upon the adding device are in plain view of the operator, who can write the total when desired and set the machine back to zero. The register, where but one is attached, is usually placed so it is controlled by the ten spaces at the extreme right of the scale, but one of the machines on display at the last Office Appliance Exhibition at Chicago, the Wahl "Adding and Subtracting Attachment" to the Remington typewriter, was so arranged that five or six or even more of the adding devices could be attached at the same time and as many sets of figures written and added simultaneously.

I have discussed with the representatives of both the Remington and the Elliot-Fisher Companies the idea of having them design a register that would add in hours and minutes instead of in dollars and cents, to be used in writing the totals of our pay-rolls. By using two of the devices, one register that would add in hours and minutes, and another that would add in dollars and cents, the operator could fill in the two on the typewriter and have footings of both at the bottom of each roll that could be readily proved. Of course, if there were more than one rate per hour on the page, a separate total of the hours at each rate would have to be made, and then the sub-totals made into one footing. I have not followed the matter and nothing has come of it, as yet, so far as the Remington Company is concerned, but I have been advised by the Elliot-Fisher Company within the last few days that it is prepared to deliver just such a machine as described and to guarantee its work.

Another convenient device is one which, by the use of a two-colored ribbon, permits the insertion of red figures in statements by simply pressing a lever.

By the use of the tabulator assurance is given that the figures will align properly without the operator stopping to count the spaces.

Another device insures the striking of several sheets of paper at the same distance from the top.

Of the typewriters that are particularly adapted to specific work, we use a book-typewriter, made by the Elliott-Fisher Company of Chicago, which sells for \$175. This machine is so constructed as to permit of writing in bound books. The table upon which the book rests is divided in halves, either of which can be lowered, so that when the book is opened, both pages are at the same height and present a flat surface to be written upon. We use this machine principally to enter the records of the stockholders' and directors' meetings and the results are eminently satisfactory. Those who have had to pore over old records written in longhand with no marginal index, looking for some resolution hidden away among a mass of other matter, know what a tedious job it is. You will be blessed by your successors who in the years to come will have to go over the records you are now writing, if you will get and use one of these or a similar machine.

The same company also makes a billing machine that we have used until quite recently in preparing pay-rolls, and so far as the machine work was concerned was perfectly satisfactory. The advantage of using this machine on this class of work is that the entire sheet is in view all the time, and skipping from one name to another is accomplished about as quickly as the eye can catch the required name. By the use of the two-colored ribbon, overtime, or time for which other than the regular rate is to be paid, can be inserted readily in a distinctive way. This machine is also particularly well adapted for writing on cards, which, when written on an ordinary typewriter, are quite apt to retain part of the curl they get from passing through the rollers. These typewriters cost \$165, or more according to the width of carriage, and the adding devices are \$30 additional for each one. On a 24-inch carriage, 18 registers may be placed which will permit the adding of that number of columns.

ADDING AND LISTING MACHINES.

Next to the typewriter, the adding and listing machines probably are the most helpful of any of the mechanical devices. There are many reliable machines on the market, each having some special feature to recommend it. We have three different makes and find them all useful. Two of the styles add but do not list. One of them is called the "Rapid Computer" and is sold by the Rapid Computer Company, Benton Harbor, Mich. The price is \$25. This machine is a very small affair that can be held in one hand or placed on the page from which the figures are to be taken and we find it very convenient, particularly for cross additions. There are many persons who are good at addition when the figures are arranged under each other but who simply cannot add crosswise mentally. Such persons would find this little machine quite a help.

The other non-listing machine is the "Comptometer" made by the Felt & Tarrant Manufacturing Company of Chicago, which sells for \$150 or more according to the number of columns. This is, I think, the pioneer in the field of adding machines and I doubt if one can be

made to equal it for speed when no printed list is required, nor do I see how its speed as a multiplier can be equalled, since one can multiply by as many figures at a time as can be reached by all the fingers. An expert can prove his work by going over it a second time more quickly than it can be done once on ordinary machines. Some of the largest concerns in Chicago use these machines to check the work done on the listing machines.

Of listing machines we have four styles, made by the Burroughs Adding Machine Company of Detroit, one that adds dollars and cents and is used by nearly all the clerks; then we have two that add numbers; that is, there are three figures to the right of the dividing comma which we use in checking our registers. For register records the closing numbers are taken each night from all the registers at each car-house whether used that day or not and the differences in the footings as compared with the previous night have to be accounted for. Instead of listing the opening number each day, we retain the slips of the previous day. We have two machines that add in hours and minutes and use them to check the pay-rolls by the time schedules.

The latest machine we have has a motor attached. It has 15 banks of keys, the five banks at the left being cut off so that if desired they list but do not add. We use this in listing checks and vouchers where we want the numbers as well as the amounts and find it a great time-saver. By means of an attachment operated very quickly we can make two sets of additions; one of five columns, and one of ten. Another manipulation allows us to use the fifteen columns in one total. We are very much pleased with the machine. The Burroughs machines cost from \$250 to \$600 each.

We also use in our office a calculating machine made in Switzerland, called the "Millionaire," which multiplies and divides very rapidly. We can multiply ten figures by ten figures in about ten seconds. As the process for multiplying is the more simple, if we have any number of amounts to divide by the same divisor, as, for instance, to obtain earnings, expenses, etc. per car-mile or car-hour, we find the reciprocal of the divisor and multiply. This is the only machine that has come under my notice which, by setting the dials, will multiply by any number from one to nine with one turn of a crank, and it is that feature which accounts for the speed with which it may be operated. The "Millionaire" is handled in the United States by W. A. Morschhauser, No 1 Madison Avenue, New York, and sells from \$250 to \$475.

The slide rule is so well known that it needs no extended description and there are many who think it is the most convenient of the many devices used for calculating.

We use two addressing machines made by the Addressograph Co., of Chicago. One has the names and addresses of the stock-holders, and we can easily address one thousand envelopes an hour; this machine costs \$45 without the cabinet, which varies in price according to capacity. On the second machine, we have the names of the employes and print our pay-rolls from it. This machine costs \$55.

The names are on plates so fastened as to make chains; the plates link together very easily and a name can be taken out or inserted in a few seconds. We can print the names of our 4,500 trainmen in about three hours. Being able to do this we can postpone getting out our rolls until the day before they are needed, and have our list correct at the start. Companies operating electric light plants in connection with street railways will find these machines of great value in getting out their monthly bills. A later style of the Addressograph has the names on plates which are placed in a vertical magazine and are withdrawn from the bottom one by one as the machine operates.

For checking the extensions to pay-rolls we use a "Morse Rotary Wage Scale" made by the Chas. R. Morse Manufacturing Company of Chicago. These range in price from \$25 and upward for a machine that checks up to 100 hours at 50 different rates, to \$40 for a 200-hour, 120-rate machine. Our device consists of two cylinders with the rates we use printed in a line around the surfaces and four scales of hours, 50 to a scale, running across the cylinders. Suppose the rate per hour to be 23.5 cents; by revolving the cylinders until 23.5 came within the scales the amount due from one hour to two hundred hours would show at a glance. The device can be operated very quickly and we have found it absolutely reliable and a great time-saver in checking.

For circular letters to foremen or other employes and for statements when we want more than a dozen copies, we use an "Edison Rotary Mimeograph," made by the A. B. Dick Company of Chicago. In this device a stencil is cut by a typewriter on paper especially prepared for the purpose, which is then fastened to a drum and inked. The printing is done by simply revolving the drum and can be accomplished as rapidly as the operator is able to feed the paper into the machine. We use this also in getting out several forms for our own office which we use in quantities so small as not to warrant having them printed. A short time ago our operator made one hundred copies of six sheets, each letter size, closely written in less than two hours.

These devices cover all we use in our department, except the numbering stamps for numbering vouchers, lot cards, etc. At our car-shops we use three recording time clocks, each with a capacity of two hundred names. They were made by the International Time Recording Company of Binghamton, N. Y., and cost, with racks for cards, \$175 each. Each employe has a number on a rack that contains this card. When he comes in the morning he takes his card and inserts it in a slot and pulls a lever. This prints the time of his arrival. He then puts the card into the proper compartment in another part of the rack, which shows he is in the shop. On going out at noon he inserts the card in the machine again and the time of his going out is printed. The same thing is repeated after lunch. The differences between the entries of time printed represent his time for the day. At a specified hour at night the clock automatically changes so that on any slips printed after that hour are in red and over-time can be readily seen. The cards are balanced with the slips showing how the men were employed, that have been turned in by the department foremen.

In the treasurer's office a machine is used to prevent the raising of checks more than a small amount, by printing and perforating a line reading "*not over dollars*" changing the amount every ten dollars.

In preparing pay envelopes the treasurer uses a cash tray so arranged that one coin of a denomination is taken from a compartment into the hand by slightly pressing on the bottom of the compartment. A mechanical cashier more modern than the above referred to will be mentioned later.

The foregoing devices comprise the machines in use in our offices with the exception of various punches used for perforating papers for various files and for canceling coupons.

One of the most useful of devices, though it is in no sense a machine, is the "Smith Index Tag" made by Chas. C. Smith, Exeter, Neb. The tag consists of a steel clip bound with leather which is printed on or which has a paper label that may be written upon. We have the tags printed with the names of our car and power houses and use loose sheets held in binders to record the distribution of stores. At the close of each month the sheets are taken out and filed and the tags used on new set of sheets. On card indexes they are very convenient. The range in prices and styles of these tags is so great I will not attempt to name figures. The tags are handled by stationers and price lists can be had of the manufacturer on application. It may not be out of place to add that the manufacturer is in no way related to the writer.

For filing correspondence we use what is styled the "vertical" file, which takes an ordinary letter on edge without folding. We have four drawers; one for correspondence received from other officials of the company; one, for that received from outside persons; one, for letters that originate in our office to other officials, and one for letters from us to outside parties. All correspondence is numbered and card indexed and carbon copies of all our letters and answers are attached, so that all the correspondence to and from persons on one subject is found under the same number.

We believe in the use of cards and loose leaf devices and use both quite extensively. A journal is seldom used after the entries for the month are closed. Why then have to handle a heavy book month after month when twenty or twenty-five sheets are all that are needed? We have answered this question by using loose leaves held in a spring cover while being used, and transferring them to a permanent binder when the month is closed.

For a general ledger we use a loose leaf book with inserts, and run the accounts across the page instead of down. The headings read as follows:

Accounts.....	1906	Month of.....	06
		J. E.	J. E.
Balances		No. Debits	No. Credits

The figure columns are repeated across the pages. Each full page has room for three months' entries and the insert has three on each side, so that each set of leaves lasts a year. At the end of the year they are put into a permanent binder.

Our voucher record is of the loose leaf pattern with half of the sheets cut 0.75-inch short at the bottom and the alternate sheets cut 0.75-inch short at the top. This permits us to add the first page and enter the totals at the bottom of the sheet; the second sheet is added up and the totals entered at the top of that sheet, and so on. This saves carrying footings forward, and is one of the greatest labor saving devices we use. Any one who cares to do so will find samples of these sheets in the Association's collection of blanks, they being those of the United Railways of St. Louis and the Chicago Union Traction Company. I am indebted to Mr. F. R. Henry, the Auditor of the United Railways of St. Louis, for letting me know of this device.

Our treasurer uses a loose leaf cash book. This permits our department and the outside auditors to use the back records without interfering with the current work.

This, I believe, completes the list of such machines and devices as have come under my personal observation through use.

One of the best duplicating machines I have seen is the "Gammeter Multigraph" made by the American Multigraph Company of Cleveland, Ohio. This consists of two parallel cylinders, one containing metal types that are readily passed to the other cylinder and set up as a letter or form. The machine has a scale across the top showing the order in which the types are to be found on the type cylinder. As the cylinder is revolved an index moves along this scale. When the letter wanted is reached the machine is stopped and by pressing a lever, one type is passed to the other cylinder. The action is quite rapid, very much more so I think than can be had by using a pair of tweezers. The work done on this machine is exactly the same in appearance as that on a typewriter, and, in addition, electrotypes can be made and fitted to set up on it so that practically any kind of work can be done on this machine that could be done on a small printing press. The price of the machine and equipment is \$250.

I have recently examined an attachment to a typewriter made by the Goldberg Calculating Machine Company of Chicago, that would be particularly useful in billing or voucher work because amounts added in one column may be transferred to a second column and the act of transferring the figures throws them out of the first column. To illustrate: There are three amounts of which it is wished to make a sub-total, like.....

\$45.00	
29.50	
18.75	\$93.25

At the conclusion of writing the three items the total \$93.25 is shown on the register; the typewriter is moved to the position for the second register to act and as the figures 9, 3, 2 and 5 are written they

disappear from the first register one by one and it is set back to zero and the machine is ready for other sets of figures in the inside column, say \$50.00
 25.00 \$75.00

Grand total..... \$168.25

The act of writing the 168.25 on the typewriter sets the outside register back to zero and the machine is ready for a new bill. This feature appears to be very valuable. At present this machine can only be attached to the Fay-Sholes typewriter, and the price of the register is \$75.

The most remarkable machine I have seen or rather that I have seen the work of, as the inventors are not ready yet to show the machine not having obtained all the patents desired, is one that is being prepared in Chicago and is called the "Carlin Calculator." When on the market this will probably at first be adopted by banks more especially as it is estimated that it will reduce the number of bank bookkeepers one-half when in use. I have seen some of the work done upon the machine and the following is a sample:

Adams & Co., La Salle St.	7,392.30
	<hr/>
	306.25
272.98 6.73 75.00 .56 67.50 26.43 4.00 73.95	<hr/> 527.15
	<hr/> 7,171.40

The amount 7,392.30 is the balance of the account at the commencement of business and is printed in red. The item 306.25 is a deposit and is printed in black while the amounts of the checks entered are totaled and the total printed in red and the new balance carried in red to the outside column, 7,171.40. What the machine really does is to work backwards when the total of the checks is printed in red and the total stands at 6,865.15 which is 7,392.30 less 527.15. Printing the deposit 306.25 in black reverses the mechanism and it adds to the total then in the register. The machine adds perpendicularly and horizontally at the same time and automatically subtracts figures written in red from both totals. Should the sum of the reds exceed the sum of the blacks in either the line or the column, the result will be shown in red and will be the amount of the excess. I know of no other device that begins to do as much as this and when it is placed on the market I have no doubt will find a ready sale.

For those who prefer a tissue impression of their original letters to a carbon copy we think the copiers that hold the blank paper on a roll and produce a copy by running the letter and paper through rollers like a wringing machine, are more rapid than the copying-book and press. After the copies have been made the paper can be cut into uniform lengths and filed as would carbon. Yawman & Erbe of Rochester, N. Y., The Roneo Company of 88 Reade St., New York, and

the Rotopress Company of Marion, Ind., make machines that do this work. The only objection I have heard urged to this method of copying letters is that the character of the letter-book as a book or original entry is destroyed, and that in offering copies of letters as evidence in court it may be necessary to call as witnesses nearly the whole office force. The same objection would apply to any loose leaf book of original entry.

The Library Bureau of Chicago, makes what it terms "omnibuses," which are book-racks or voucher trays mounted on rollers that can easily be rolled to and from vaults or from one room to another. One of these could be filled up to hold the books required by the general bookkeeper and rolled to a position convenient to the desk and the books kept on the roller shelves when not actually in use. Another rack could hold the voucher register and the trays for current vouchers and both would be stored in the vault at night.

The same company fits up vaults and offices with either steel or wood shelving that can easily be adjusted with regard to the space between shelves so that all the space of a vault can be used to the best advantage.

The Patten ticket destroyer is an arrangement of parallel knives so set that the tickets drop from a hopper and pass through the knives and come out cut into shreds. One of these machines was in use at Lynn, Mass., at the time the writer was connected with the Lynn & Boston Railroad, and we never found that a ticket had passed through the machine and not been so completely destroyed as to render its further use impossible. This machine is, or at least was, made by the Patten Machine Company of Salem, Mass. The Rand Avery Supply Company of Boston, Mass., has a machine that does similar work.

There was exhibited at the Columbus convention last year a ticket counting machine that attracted a great deal of attention. The machine is the invention of W. A. Gibbs, General Manager of the Indiana, Columbus & Eastern Traction Company. The writer was unable to examine the work of the machine but a complete description of it may be found in the Electric Railway Review of October, 1906.

The Cleveland Electric Railway Company uses a ticket counting machine made by Robert Kimball of Cleveland, Ohio, and is much pleased with it. These machines are not on sale, but may be obtained on a royalty. They can count 20,000 to 25,000 per hour. The device is very compact and is mounted on a standard that comes up through a can in which the tickets are dumped when counted. The Cleveland Electric Railway Company reports that it gains time by having two persons (usually girls) work together; one takes off the rubber bands from the bundles while the other operates the machine. "The underlying principle of the machine is to segregate the tickets from packs or bunches and distribute them uniformly opposite numbered spaces where the eye can readily detect any discrepancies."

Two very useful machines for the cashier's office are made by the Brandt Cashier Company, of Chicago. One is called a "Payer" and it consists of a small cabinet with rows of keys marked from one to ninety-nine. In front of these are compartments holding coins of the different denominations. Upon the pressure of any of the keys the sum represented drops out in the least number of coins that will make it. This machine is particularly useful in making up pay-rolls as the money can be dropped directly into the envelope. The other machine, called the "Changer," by the pressure of one key gives the difference between the number pressed and the other sum at which the machine may have been set. The only mental work required is the striking of the proper key. This machine is particularly useful in offices of gas and electric light companies where bills are paid over the counter. The price of each machine is \$150.

W. R. Gaither, auditor of the South Chicago City Railway Company, has invented a device for keeping time, which, I think will become popular when put on the market and used. It is operated in connection with the wide carriage Burroughs adding machine. Two paper-carrying rollers are attached to the rear of the carriage; one supplies and the other receives the paper, which has been printed and ruled, as the work progresses. When the work for a day is complete the paper is reeled back, the carriage set over a space and is then ready for the next day's posting. A space sufficient to allow two rows of figures is allotted each name, and additional spaces if more than one rate is to be used for the same man. The time for the day is printed by the machine on the top line and (having previously put into the machine the time from the start of the pay-roll period up to the current date) the total of all time including the current date is posted on the second line. In other words, each man's time is accumulated from day to day so that when the last day is entered the total time is entered immediately below it. As the total time is set down from day to day the machine clears itself. There are so many complications about the rolls for the company which I represent that I have not been able to give the machine the trial to which it is entitled, but if any accountant who is interested will take the matter up direct with Mr. Gaither at South Chicago, Ill., he will arrange for a trial of the machine that I feel quite certain would lead to its adoption. A more complete description of the device will be found in the Street Railway Journal of March 16, 1907.

Another good thing is the Wahl "Adding and Subtracting Attachment" for the Remington Typewriter. The totalizers or registers are mounted on a truck, the movement of which is governed by the typewriter. They pass over what the makers call the actuating mechanism and any figure keys on the typewriter that are pressed when these two parts are in conjunction are carried into the register and accumulated. The printing of the totals clears the registers as in similar devices. I am very much pleased with the work done by these machines, and hope to have at least one in the office before long. The Wahl Adding

Machine Company, Great Northern Building, Chicago, publishes an interesting circular describing the machine. A No 7 Remington Type-writer with a tabulator and one of the Wahl attachments with a capacity of seven figures sells for \$250. Additional totalizers of the same capacity are \$70. For each additional figure wheel \$5 additional is charged.

For keeping a record of piecework or of employes whose time is to be split up on several jobs, I think the Perry time stamp made by the Perry Time Stamp Company, of No. 19 South Jefferson street, Chicago, is a very convenient device. The price of this device has been reduced from \$25 to \$15. I have seen the work it does and can recommend it. The stamps have been adopted in a great many of the large industries of the country, which should be a good recommendation if anything further than mine is required.

Another device which it seems to me would be a very valuable adjunct to the claim department particularly, is the "Commercial Graphophone." This consists of a dictating machine that is talked to through a speaking tube, and a transmitting machine that talks back. The price of the first is \$75 and of the second, \$65. To complete the outfit one should have a shaving machine to redress the cylinders and a supply of cylinders that cost \$25 per hundred. These will be furnished by the seller; the purchaser has to supply someone to use the arrangement who has a voice and a flow of language. It seems to me that in preparing briefs, one lawyer could keep two or three typists busy and they need not be stenographers. These machines are manufactured by the Columbia Phonograph Company of New York, London and Chicago. Each cylinder will hold from 1,000 to 1,600 words spoken at a rate of from 90 to 100 words a minute. This is equivalent to about two full pages legal size paper single spaced.

Another machine that I believe to be a good one, is the "Ensign Electric Adder, Multiplier and Divider" made by the Ensign Manufacturing Company, 24 Milk street, Boston, Mass. I did not see the company's advertisement until too late to investigate the machine, but the description is interesting.

For binding all kinds of loose sheets satisfactorily, and that to my mind includes provision for removing a single sheet quickly if it is wanted, I think the Tengwall devices are excellent. I have used some for over nine years, and they work just as well now as the day they were received though they were opened every work day during that time. They are made by the Tengwall Company, No. 1411 East Ravenswood Park, Chicago.

Before closing this paper I wish to recommend to the members two publications that I take, in which most of the new office helps are advertised. One is "System" published at No. 151 Wabash Avenue, Chicago, and the other is "Office Appliances" published at No. 303 Dearborn street, Chicago.

I also wish to urge upon members interested in this branch of our association the desirability of attending the various Office Appliance

Expositions that are held in the large cities. It will be well worth while. I go every year at least once, and am always amply repaid for the time spent. Let me repeat what I said in the opening of this paper. I have no doubt failed to mention many machines that may be as good, if not better, than some of those I have seemed to advertise, but they are such as have not come under my observation, and if such makers feel in the least slighted, I apologize now for not having received their literature.

MR. SMITH, (continuing) :— I would like to call attention also to the exhibit of the Smith Computing Table Company at booth 348 to 352, half way down the pier. The machine is a new device, and these here are the only ones that have ever been gotten out. It seems to be a very clever device indeed, and I advise as many of you as are interested to go down and look at it.

I am told by Mr. Edwards of the New York Edison, that it uses the calculagraph, which is found to be a very useful device. When it prints the going-out time it also prints the elapsed time, does the computing, and the lapsed time shows right up prominently; saves anybody making the subtractions that are necessary on this Perry stamp or some of the other stamps.

There is a coin counting machine down on the pier, in the last building on the right. It is a coin sorter, and it packages the coin and is well worth looking at. It would seem to be an excellent device for handling coin in large quantities.

I would also mention the fact that Mr. Gaither is here representing the Gaither Pay Roll Machine, located in the Burroughs exhibit.

Discussion of Mr. Smith's Paper.

MR. BROCKWAY:— The other coin-counting machine is in the same building, also the addressograph.

MR. SMITH:— The other coin-counting machine must be the one represented by a man who came up to the office after this paper had been sent off, and asked if I had mentioned it. I told him, no, he didn't advertise and I didn't see any mention of it. He is going to advertise now. I have in my pocket half a dozen tickets to the Seventh National Business Show in Madison Square Garden which I think is being held now.

If any of the gentlemen here are going home by way of New York I would be very glad to have them take these tickets.

PRESIDENT TINGLEY:— Gentlemen, I think we have all listened with a great deal of interest to Mr. Smith's paper. It is an exceedingly valuable one, and we would be glad to hear from any of the gentlemen present, to have them ask Mr. Smith any questions or state their experience with these or other machines.

MR. SMITH:— I would be particularly glad to hear about other machines that I have not mentioned.

MR. BROCKWAY:— I want to say for the information of Mr. Smith and others that with the rotary copier it is quite possible to make more than one impression. By running the letter through the machine time after time it is possible to get as high as six copies from the same letter if the typewriter ribbon is fresh.

There is a machine very similar to the Millionaire, except that it does not make the whole calculation with one turn of the wheel, which I use in my office, and which has eleven banks of figures. I can divide a number having eleven figures by another number with eleven figures. It is called the Saxonnia and comes somewhat cheaper than the Millionaire.

In many of our companies with which I am connected we use for making our monthly and daily reports a duplicating machine called the "Daus Duplicator," made in New York. It is an adaptation of the old gelatine plan, only the gelatine is mounted upon paper and rolls. That machine is very satisfactory to us, because in use it does not leave the paper sticky, unless the machine is improperly handled, nor does it leave the chalk that comes off from several of the other duplicators.

In regard to wage calculations, we use what is called the "Hayes Railway Express Tables," which are also made in Cleveland, where so many good things seem to come from. It is in book form, and I find it to be just as rapid as the machines and has a considerable larger range. It costs \$5 or a little less and is supplied by the W. C. Stahl Co.

MR. PRATT:— Mr. Smith has covered the ground completely so far as my knowledge is concerned. I would like to know if he has an electrician in his office to take care of all these machines?

MR. SMITH:—We have a young lady in the office who makes these wheels go around, and she can take hold of any of these machines and fix them in a few minutes. I do have to keep a typesetter for the addressograph. We have so many changes in our conductors that I found it advisable to get a young lady from the addressograph office, and find her very useful. I use her all the time of course at other work when she is not doing that.

MR. PRATT:—You do not use the Elliott addressograph?

MR. SMITH:—No, we use the Addressograph Company machine.

MR. PRATT:—I think our companies use the Elliott more than the other.

MR. SMITH:—Well, that is in the East. Of course we can't use anything that isn't made in Chicago.

MR. DABNEY:—We are using a stencil. We did use the addressograph and thought it too high, so we changed. We had a professional printer to set up our type, and we saved a good deal. I do not know that there is any difference in cost. I think the Elliott is possibly a little cheaper.

MR. HENRY:—I use quite a number of machines in the office, none of which have not been mentioned by Mr. Smith. But for nervous people and people that do not like to have a racket about the office, they need not expect these machines to be noiseless. Mr. Smith did not mention this in any way in his paper.

MR. SMITH:—I was only mentioning the good points.

MR. HENRY:—Nevertheless this is the one feature that is annoying about most of the machines used in office work.

PRESIDENT TINGLEY:—We have a little machine which has escaped Mr. Smith, which for any one who has a large amount of mail to get out, particularly the purchasing department, is very convenient and does not occupy much room. The mailing clerk can simply slide his envelopes in at the end, and it moistens, closes and delivers them all sealed at the other end.

MR. SMITH:—I have been looking for such a machine as that which our stationers would guarantee, and I told them

when they got a machine they could guarantee for a year I would take it. I have not got it yet.

MR. PRYOR:—We have been running a machine of that kind in our office for about a year.

MR. STEUART:—If it is not out of order for me to say a word, I would like to state that we have had a machine for sealing envelopes in use in the census office for some time. It is worked by an electric motor, and does very satisfactory work. I will take pleasure in sending you the name and address of the maker.

MR. SMITH:—Does the same machine work by hand power? We do not have enough work to use an electric motor on it.

MR. STEUART:—Millions of envelopes are sealed with it every year. There are two other machines you did not mention; the Stanley calculator, and the Grant multiplier. The latter is an old machine but a very simple little machine for multiplication. The Stanley calculator is made in Europe. One has been at work in the census office for about five years and has been in almost constant use. I do not think any machine we have has given more satisfactory results for multiplying and dividing.

MR. SMITH:—I will tell you how I got at these machines. I went through the advertisements in the railroad papers, and then of "System" and "Office Appliances," and I picked out all the advertisements I thought would be of interest to street railway people. Then I wrote to some of our members asking if they had other machines. I have not the slightest doubt but that there are just as good machines, that I have not mentioned, as those that I have.

MR. PRATT:—I think Mr. Steuart will give us a description of the tabulating machine used by the government. I have seen it operate in the office of a manufacturing corporation but I could not describe it satisfactorily. I think if Mr. Steuart will do that it will be of interest to all of us.

MR. STEUART:—Mr. Edwards can describe that machine much better than I. He is a technical man and has been intimately associated with the machine, not only in government work but in commercial work, and I would like to

hear from him. What I could say would be of a general character and I think would not be interesting.

PRESIDENT TINGLEY:—Mr. Edwards, will you undertake that contract?

MR. EDWARDS:—I should be very glad to, Mr. President. The Hollerith Tabulating Machine was used first in connection with the census. The device is operated electrically. The conditions are that a card must be punched for all the information that it is desired to have calculated and recorded. For instance, in our business we want to know the number of kilowatt hours sold and the amount of money they produce. We have various contracts. Electric current is sold at retail and at wholesale and to the city for street lighting and for city buildings, to operate motors, industrial elevators and miscellaneous purposes. We want to know the use of our current, where it goes and what the average income per kilowatt hour is from all these different sources and kinds of contracts.

When a bill is made out by the bookkeeper the bill goes to the tabulating department, and cards are provided there with a number of vertical columns. The proper card is punched out with a punching machine. We punch the month, the number of the ledger in which the bill is to be recorded; we punch the folio upon which that account appears in the ledger, we punch out a given number, which corresponds to the contract form under which that current has been sold, we punch the kilowatt hours and the amount in dollars. We punch two sets of cards, one in order to determine the total revenue, and the other for statistical purposes, to play with. The first card is buff. It goes through the machine. It is put in the hopper. The hopper feeds down into a counting device, which is an ordinary calculating machine, and each of the numerals has a conductor which comes to a terminal. The cards come down between this terminal and the second terminal of the electric current. Now, where the hole is punched the contact is made through the hole between the two terminals.

I might explain further by saying, as these cards feed down, and the process is very rapid, the dials are con-

stantly changing on the machine, so that we get the total number of kilowatt hours and the total amount of money, that is, our total revenue. Now then, we want to give each bookkeeper his total, and we want to give each bookkeeper his total in blocks of fifty accounts, because his cash is distributed by fifties and his trial balance is arranged by fifties, so that if at the end of the month he has an error in his trial balance he can locate it within blocks of fifty or a hundred, because he has the revenue for the fifty, has the cash for the fifty, and takes off his balance for the fifty. Each of our bookkeepers runs about 2,500 to 3,000 meters and very rarely is a bookkeeper delayed more than three hours on his trial balance, because he can locate his difference between 100 accounts.

So the cards go through the sorting machine. In the first place they go through by the ledger. They take all the cards, put them in the hopper, and the machine is so arranged that the device which controls the particular compartment of this sorting device, that goes through the hole in the card, that drop is affected, so that as these cards come down from the hopper, there is a constant flow of them, some to each compartment, all the way through. After we have the accounts distributed by fifties we give them to the bookkeeper. Then we take those cards again and assort them by contract form numbers. Thus we get, as I say, the total amount of current sold at the retail rate, the total amount sold at the wholesale rate, total amount of power, the various kinds of power, and the total sold to the city, etc. We thus get a distribution of the earnings to a degree that I doubt very much if we would attempt if we had the old column system, with the bookkeepers setting down the proper figures under columns and footing them up.

We exhibited this device at the electrical show in New York last week. We had about 25 other applications of electric current in the New York Edison Company's booth, but the public came there to look at these machines. The booth was crowded. We had relays of clerks there, three relays a day in order to explain the operation. Finally the other showmen in the booth came and asked if we wouldn't suspend ex-

hibiting that machine a little while so they could have a chance. It is the greatest time saver we have ever had. It has never been out of order.

The New York Central clerks use them in making their freight bills. They get their freight classification that way. For every freight bill they punch a card. They have a given number which gives them the freight classification, the cwt. and the amount, they put these way bills through their sorting machine, so that they get all the same kinds of freight together. Then after they have them all sorted they simply feed them into the machine and the machine does all the rest. The boy goes about other work, and when it is all through he comes and takes his totals off the dials.

One other point. There is a controlling device, so that if you are recording, we will say, card item 10, and a card item 9 slips in, the machine throws it out. You set the machine to record No. 10 and you can't record a No. 9 or anything else. These machines are not in general use. I do not know why they are not in general use. The manufacturer, Dr. Hollerith has ideas of improvement and is constantly working to get some new attachment, and he is overwhelmed with orders. He begged me not to exhibit the machine at the New York show, but I did not feel as though I could keep it out because it was a valuable and important application of the use of electric current, and we insisted that we be allowed to exhibit it. He finally allowed us to do so. We rent the machines. He won't sell them, and the obligation is that we shall buy our cards of him. All the stationery used in connection with the work we buy of him.

MR. SMITH:—I have seen that machine in use in the statistician's office of the Atchison road. I could not see how electric railways could use it to advantage. Do you think it could be used in our business economically?

MR. EDWARDS:—I do not know what statistics you compile. I am not familiar with them, but the Pennsylvania Steel Co. uses it entirely in figuring their costs. They have a job system. Every piece of work going through that great big shop, involving a foundry, machine shop, frog and switch, bridge department, etc., is given a job number, and they accumulate the

cost of that job going through all those different operations, and they are all got together and calculated on this Hollerith machine.

MR. EDWARDS:— I couldn't say, but if any of the gentlemen on their way home stop in New York, and will call at the Edison Co., 55 Duane street, I will be very glad to let them see the machine in operation. We have had, I should say, thousands of people in there looking at the machine. The last were from Japan, and they went post haste down to Dr. Hollerith to see if they couldn't buy him out.

MR. PRATT:— I should think interurban roads might find it advantageous to use it in tabulating the traffic from their various stations. To find out where traffic originates is quite an important statistic on long interurbans.

MR. SMITH:— It does the work wonderfully quick. In the statistician's office of the Atchison road, in Chicago, they get five different results by one pulling of a lever. I think that machine was handled by a lever at the time I saw it. A man sat there, fed the cards in and pulled that lever.

MR. EDWARDS:— That is all done away with. Now it is all electrically operated and works without any manual manipulation whatever.

MR. STEUART:— Mr. Edwards has given a good description of the application of the machines for commercial use. The machines were used very extensively at the census of 1900 in compiling the statistics for the population. A card was prepared for each inhabitant of the United States, a hole being punched to represent the sex, nativity, and other facts. The cards were then assorted by the machines and counted, the record being made on dials, so at the close of the day's work the clerk could take a reading of the dials and thus ascertain the total number of inhabitants counted, and the classification of each by the facts recorded by the holes punched in the cards.

These cards are fed into a hopper and the machine works automatically. The census could not be taken without the use of a machine of this character.

MR. BALAGUER:— Mr. President, I would like to move that the valuable paper of Mr. Smith's be accepted with the thanks of the association. (Carried.)

PRESIDENT TINGLEY:— Before we proceed to the next order of business, we have with us an honored past-president who is with us in person and in spirit, though no longer of us in the electric railway business. We would like to hear from Mr. H. C. Mackay.

MR. MACKAY:— Mr. President, I can certainly say I am just as glad to be with you as you are to have me. It was that spirit that brought me to your convention to meet with you again and incidentally to learn of any new improvements, even though they did not affect steam railroad lines. I have been very much interested indeed in Mr. Smith's paper and the discussion which it has brought out, and want to learn from Mr. Edwards more of the details of the machine he has just described, because I may be able to apply it in my work.

PRESIDENT TINGLEY:— The next order of business is the report of the representatives who attended the meeting of the National Association of Railroad Commissioners.

REPORT OF COMMITTEE TO ATTEND CONVENTION OF
THE NATIONAL ASSOCIATION OF RAILROAD COM-
MISSIONERS, HELD AT WASHINGTON, D. C., OCTOBER
8 AND 9, 1907.

To the American Street and Interurban Railway Accountants' Association:

GENTLEMEN:— Your committee would report that it attended the last convention of the National Association of Railroad Commissioners held in Washington. We have nothing to report so far as any action of that body is concerned, except that a report of a committee on the classification of construction and operating expense accounts of electric railroads was adopted, to the effect that it was their judgment that a classification of accounts harmonizing as far as practicable with those of steam and electric railroads was desirable; that in their judgment at this time, owing to the differences that existed in the views of the two interests, such a thing was not possible, or, rather, that they were not in a position to make any special recommendation to their convention. Your committee wishes to report, perhaps unofficially, that the sentiment among the railroad commissioners, was far more favorable toward

corporations generally than it has been in the past. We believe that the railroad interests have a great deal to encourage them in the supervision by honest, conscientious railroad commissioners, and the sentiment as expressed by many of those commissioners was much more conservative than has been the case in the last year or two.

Respectfully submitted,

W. F. HAM, *Chairman.*

C. N. DUFFY,

W. G. McDOLE,

Committee.

MR. SMITH:—I move that the report be accepted and spread upon the records. (Carried.)

PRESIDENT TINGLEY:—The next on the program is the report of the Committee on Standard Classification of Accounts and Form of Report. I will ask Mr. Ham to present it.

REPORT OF COMMITTEE ON STANDARD CLASSIFICATION OF ACCOUNTS AND FORM OF REPORT.

To the American Street and Interurban Railway Accountants' Association:

GENTLEMEN:—The Committee on Standard Classification of Accounts and Form of Report has had two meetings during the past year, the first in Washington, last fall. At that time we were invited to attend a meeting of the American Railway Accounting Officers, with the idea of formulating if possible a classification of accounts which would be harmonious between electric railroads and steam railroads. Nothing definite, however, was accomplished at that meeting. At that time there seemed to be considerable question raised as to whether the classification which we had in use was adequate for the use of interurban railways, and a sub-committee was, at the request of the Standardization Committee, appointed by the president, consisting of Mr. W. H. Forse, Mr. A. B. Bierck and Mr. A. C. Henry, who devoted considerable time and a great deal of work to the preparation of a classification primarily to meet the requirements of interurban railroads. They held two meetings and subsequently a joint conference was arranged between the sub-committee and the Classification Committee in Cleveland, last June. Since that time our work has been to prepare a classification which we hoped would meet the requirements of all electric railroads whether urban or interurban. We present this classification in the hope that it will be thoroughly discussed and criticized. It is purely tentative and does not in all respects express the unanimous judgment of the committee itself.

TENTATIVE CLASSIFICATION OF OPERATING EXPENSE ACCOUNTS.

(As revised and approved at the 1907 Convention.)

Maintenance:**WAY AND STRUCTURES.**

1. Roadway and track:

- A. Ties.
- B. Rails.
- C. Rail fastenings and joints.
- D. Special work.
- E. Ballast.
- F. Paving.
- G. Bridges, trestles and culverts.
- H. Fences, road crossings, cattle guards and signs.
- I. Signal and interlocking system.
- J. Roadway and track labor.
- K. Miscellaneous roadway and track expenses.

2. Electric line:

- A. High tension transmission lines.
- B. Low tension transmission lines.
- C. Track bonding.
- D. Telephone and telegraph system.
- E. Miscellaneous electric line expenses.

3. Buildings, fixtures and grounds:

- A. Power plants.
- B. Sub-stations.
- C. Car houses and yards.
- D. Shops.
- E. General offices.
- F. Stations, waiting rooms and platforms.
- G. Docks and wharves.
- H. Miscellaneous buildings.

EQUIPMENT.

4. Power plant equipment.
5. Sub-station equipment.
6. Passenger, mail, baggage and combination cars.
7. Freight and express cars.
8. Electrical car equipment.
9. Miscellaneous equipment.
 - A. Electric locomotives.
 - B. Work car equipment.
 - C. Snow equipment.

* This report was presented to the 1907 Convention. It was revised, and approved as now printed and referred back to the committee for final revision and power to act.

Report Committee Standard Classification of Accounts. 101

- D. Horses, harness and vehicle equipment.
- E. Automobiles.
- F. Miscellaneous equipment.
- 10. Miscellaneous shop expenses.

Transportation:

OPERATION OF POWER PLANTS AND SUB-STATIONS.

- 11. Wages of power plant employes.
- 12. Fuel for power.
- 13. Water for power.
- 14. Lubricants for power plant.
- 15. Miscellaneous supplies and expenses of power plant.
- 16. Operation of sub-stations.
- 17. Purchased power,

OPERATION OF CARS.

- 18. Superintendence of transportation.
- 19. Wages of passenger motormen.
- 20. Wages of passenger conductors.
- 21. Wages of freight and express motormen.
- 22. Wages of freight and express conductors and trainmen
- 23. Wages of miscellaneous car service employes.
- 24. Wages of car house employes.
- 25. Car service supplies.
- 26. Miscellaneous car house expenses.
- 27. Tickets and transfers.
- 28. Printing and stationery—car service.
- 29. Miscellaneous car service expenses.
- 30. Wages of station employes.
- 31. Miscellaneous station expenses.
- 32. Operation of signal and interlocking system.
- 33. Operation of telephone and telegraph system.
- 34. Dining, buffet, parlor and sleeping car service.
- 35. Loss and damage.
- 36. Injuries and damages.

MISCELLANEOUS.

37. Cleaning and sanding tracks.
38. Removal of snow and ice from tracks.
39. Rent of equipment.
40. Rent of tracks and terminals.

Traffic:

41. Salaries of traffic staff.
42. Miscellaneous traffic expenses.
43. Advertising and attractions.

General:

44. Salaries of general officers.
45. Salaries of general office clerks.
46. Printing and stationery — general.
47. General office expenses.
48. Miscellaneous general expenses.
49. Law expenses — general.
50. Insurance.

MAINTENANCE.**WAY AND STRUCTURES.****Account No. I.****MAINTENANCE ROADWAY AND TRACK**

This account is intended to embrace repairs and renewals of roadway and track; of culverts, tunnels and subways; of tracks in yards, terminals, car houses, repair shops and other buildings; on piers, wharves, track scales, bridges and trestles.

A proportionate part of Accounts Nos. 101 to 105, inclusive, should be charged to this account.

Report Committee Standard Classification of Accounts. 103

The cost of repairs and renewals of work-car equipment, harness and wagons used in connection with roadway and track maintenance, should be charged to Account No. 9, Subdivision B, Work-car equipment, or D, Horses, harness and vehicle equipment.

All paving to be charged to Account No. 1, Subdivision F.

A Ties:

Charge to Subdivision A, cost of iron or wood cross, switch and bridge ties, head blocks and cross timbers, including freight charges if any, cost of inspection, and all expenses incurred to the point where delivered for use in track.

(*Note.*—Cost of placing ties into track should be charged to Account No. 1, Subdivision J, Roadway and track labor.)

B Rails:

Charge to Subdivision B; cost of straight rails and guard rails, including freight charges if any, and all expense incurred to the point where delivered for use in track. Credit to be given for value of old rail taken up.

Third rails used for transmission of power should be charged to Account No. 2, Subdivision B.

(*Note.*—Cost of placing rails into track should be charged to Account No. 1, Subdivision J, Roadway and track labor.)

C Rail fastenings and joints:

Charge to Subdivision C, cost of fish plates, braces, tie plates, tie rods, nuts, bolts, spikes, etc., including freight charges if any, and all expenses incurred to the point where delivered for use in track. Cost of cast on electric welded joints should be charged to this subdivision.

(*Note.*—Cost of applying rail fastenings and joints should be charged to Account No. 1, Subdivision J, Roadway and track labor.)

D Special work:

Charge to Subdivision D, cost of labor and material repairing and renewing special work, including steam and street railroad crossings, cross-overs, curves, frogs, run-offs, automatic switches and appliances, switches, switch-mates, turn-outs; cost of hauling, distributing and placing same in track; all material used directly in connection with special work; also cost of removing old material.

E Ballast:

Charge to Subdivision E, cost of all material used as ballast, including freight charges if any, and all expenses incurred to the point where delivered for use in track,

F Paving:

Charge to Subdivision F, cost of labor and material repairing and renewing paving, including granite, wood, brick and asphaltum pavement, sand and concrete work made necessary by repairs and renewals of paving; hauling and distributing of material; also cost of removing old material.

Repairs and renewals of street paving in connection with roadway and track required by municipalities, should be charged to this subdivision.

G Bridges, trestles and culverts:

Charge to Subdivision G cost of labor and material repairing and renewing bridges, trestles and culverts (both sub-structure and super-structure), piers, abutments, masonry and drain-pipes, subways, tunnels, viaducts, retaining walls, rip-rapping and dikes necessary to protect or strengthen bridges and culverts against ice, water or drift; also wooden guards on bridges, framing ties for bridges, bridge signs or number boards; cost of hauling and delivering material including freight charges, if any; cost and expenses of pile drivers and other equipment; cost of cleaning channels under bridges and cleaning culverts; cost of removing old bridges, etc., whether another one is built to replace it or not; cost of construction and removal of temporary or false work; expense of maintaining gravel decking for fire protection.

(*Note.*—Any structure carrying the tracks over other tracks, a stream, highway or canal, shall be considered a bridge or culvert. The cost of maintaining structures carrying other tracks, canals, highways, etc., over the company's tracks should be charged to Account No. 1, Subdivision H, Fences, road crossings, cattle guards and signs.)

H Fences, road crossings, cattle guards and signs:

Charge to Subdivision H cost of labor and material used, including freight, if any, and all expenditures incident to the maintenance of the following:

Highway Grade Crossings. Including street and road crossings at grade, crossing drains, crossing gates, crossing signal bells and batteries with their connections, water pipes, etc.

Other Crossings. Including overhead bridges of all kinds, roadways erected over tracks of the company, viaducts (foot or wagon), roadways of undergrade crossings, and warning signals and their connections; drainage and excavation for undergrade crossings; the opening of public roads in order to eliminate grade crossings.

Fences and Cattle Guards. Includes right-of-way fences, cattle guards, wing fences, aprons and hedges; not including those around station and shop grounds.

Sigⁿs. Includes yard limit signs, subdivision boards, mile, section, whistle, slow and stop signs, boundary posts, overhead bridge and tunnel cautions, and all signs except station and telegraph signs.

I Signals and interlocking system:

Charge to Subdivision I cost of labor and material, including freight, if any, and all expenses incident to the maintenance of the following:

Signals. Including block, automatic and semi-automatic signals, home and distant signals, signal posts, signal bridges, semaphore and flag station signals, gates at crossings of other railways, and all other road and track signals not otherwise provided for in the government of cars; also signal and switch lamps and their connections; pay of signal engineers, supervisors of signals, their assistants, their office and traveling expenses, pay of mechanics and laborers while engaged in repairing and renewing signals and interlocking system, with cost of special tools used for said work.

Interlocking System. Including power interlocking plant (except buildings) and all machinery such as air compressors, levers, boilers, dynamos, engines and machinery, fixtures and appliances used in connection therewith.

(*Note.*—Cost of inspection and supplies for operation are chargeable to Account No. 32.)

J Roadway and track labor:

Charge to Subdivision J labor *only* removing old track whether new track is laid in its place or not, grading, relaying ties and rails, applying fish plates and rail attachments of all kinds, surfacing and ballasting, cutting weeds and caring for right of way. All track labor, not otherwise provided for, should be charged to this Subdivision.

(*Note.*—The cost of punching and drilling rails for repairs and renewals of track wire, and the removing and replacing ballast for the same purpose, should be charged to Account No. 2, Subdivision C, Track bonding.)

K Miscellaneous Roadway and track expenses:

Charge to Subdivision K salaries and expenses of chief engineer, assistant engineer, general roadmaster, assistant roadmaster, draughtsmen and clerks in office; injuries and damages when caused directly in connection with roadway and track maintenance, including the expenses which cannot be actually allocated to any case, which expense is to be based upon the per cent. the amount paid for injuries and damages account of roadway and track maintenance, bears to the total amount paid for injuries and damages; also incidental expenditures that are not properly chargeable to any of the foregoing subdivisions of roadway and track, viz.: ice, lanterns and fixtures, torches, oil, incandescent lamps, tools, water, printing and stationery, etc.

Account No. 2.

MAINTENANCE OF ELECTRIC LINE.

This account is to cover repairs and renewals of electric line of overhead, underground or third-rail systems, and to embrace electric line in yards, terminals, tunnels, subways, car houses, repair shops, and other buildings.

A proportionate part of Accounts Nos. 101 to 105, inclusive, should be charged into this account.

The cost of repairs and renewals of work-car equipment, and harness and wagons used in connection with electric line maintenance should be charged to Account No. 9, Subdivision B, Work-car equipment, or D, Horses, harness and vehicle equipment.

A High tension transmission lines:

Charge to Subdivision A, cost of labor and material repairing and renewing high tension transmission lines, including taking up and resetting poles; painting poles and cross-arms; altering and changing insulators; substituting new wire for old wire. Credit to be given for value of old material.

Also, cost of delivering and distributing material, including freight charges, if any; cost of changing route of line or removing line where no replacement is made.

B Low tension transmission lines:

Charge to Subdivision B, cost of labor and material repairing and renewing low tension transmission lines, for transmitting power from power stations and sub-stations, including poles, cross-arms, brackets, insulators and connections; span, guard, feed and overhead trolley wires; third-rail with braces, supports and devices for insulating, covering or protectors. Credit to be given for value of old material.

Also, cost of delivering and distributing material, including freight charges, if any; cost of changing route of line, or removing line where no replacement is made.

C Track bonding:

Charge to Subdivision C, cost of labor and material repairing and renewing track bond wires, including cost of punching and drilling rails for track bond wires; testing for defective joints; removing and replacing ballast, when made necessary by repairs and renewals of track bonding; delivering and distributing material, including freight charges, if any.

D Telephone and telegraph system:

Charge to Subdivision D, cost of labor and material repairing and renewing telephone and telegraph lines owned by the company, or for which it is responsible, including conduits, poles, cross-arms, wires, insulators, cables, cable-boxes, instruments, battery jars, switch-boards, and all other appurtenances forming a part of the telephone and telegraph system. Rental of telephone and telegraph system should not be charged to this account, but to Account No. 33, or Account No. 48.

E Miscellaneous electric line expenses:

Charge to Subdivision E, salaries and expenses of superintendent of electric line, assistants and clerks in office; injuries and damages when caused directly in connection with electric line maintenance, including the expenses which cannot be actually allocated to any case, which expense is to be based upon the percent the amount paid for injuries and damages for account of electric line maintenance, bears to the total amount paid for injuries and damages; also, incidental expenditures that are not properly chargeable to any of the foregoing subdivisions of electric line, viz.: ice, lanterns and fixtures, torches, oil, incandescent lamps, tools, water, printing and stationery, etc.

Account No. 3.**MAINTENANCE OF BUILDINGS, FIXTURES AND GROUNDS.**

This account is to cover repairs and renewals of buildings; cost of fixtures, and repairs and renewals of same; cost of maintaining walks, driveways and grounds connected with buildings; cost of delivering

material, including freight charges, if any, and all incidental expenses connected with the maintenance of buildings, fixtures and grounds.

The term "Buildings, fixtures and grounds," in addition to embracing the buildings proper, is understood to include: fixtures when immovable and built in as a part of the structure; pipes for gas, water, sewerage and drainage; apparatus for heating, lighting and ventilating freight and passenger elevators with fixtures and appurtenances; platforms; appliances for protecting buildings against fire; fences, walls, sidewalks and pavements within the limit of grounds immediately adjacent to buildings or yards (except paving in tracks).

The cost of repairs and renewals of tracks in buildings, yards or grounds should be charged to Account No. 1.

The cost of repairs and renewals of electric line in buildings, yards or grounds, should be charged to Account No. 2.

A Power plants:

Includes generating station building; coal-storage building; coal bins; building fixtures which are not a part of machinery equipment; fences and grounds connected therewith.

B Sub-stations.

C Car houses and yards.

D Shops.

E General offices.

F Stations, waiting rooms and platforms.

G Docks and wharves:

Includes: piers and other landings, pontoons, slips, bulkheads, jetties and inclines thereto, including cost of filling, strengthening, bracing and painting; expenses of pile-drivers, tugs, barges, and floats while engaged in such work; cost of dredging about docks, piers, bulkheads and slips, or for approaches to such properties and removing material dredged out; labor and expense operating dredges, mud-scows, barges and floats while engaged in such work; cost of crib work, tracks or caissons constructed for preserving the depth of water secured by dredging; cutting ice around docks and wharves to prevent damage; guard and other piling for protection from damage by drift or ice; also,

The pay of supervisor of docks and wharves, labor and expense operating work trains, pile-drivers, dredges and tugboats while engaged in work pertaining to docks and wharves.

H Miscellaneous buildings:

Includes: repairs and renewals of buildings not included in any of the foregoing subdivisions, also incidental expenses not applicable to any of the foregoing subdivisions of Buildings, fixtures and grounds, viz.: Ice, lanterns and fixtures, torches, oil, incandescent lamps, tools, water, printing and stationery, etc.

EQUIPMENT.

Account No. 4.

MAINTENANCE OF POWER PLANT EQUIPMENT.

Charge to this account all expenditures for labor, material, tools, freight, hauling of material, and all other expenses incident to repairs and renewals of steam plant, water power plant, or electric plant, including turbines, engines and engine parts, appliances and fixtures, belts, belt tighteners and fixtures, receivers, lubricators, and oiling devices; shafting, clutches, cranes, hoists and other engine room ap-

pliances; boilers, boiler fittings and appliances; furnaces, economizers, stacks, mechanical draft machinery, pumps, feed water heaters, purifiers, tanks, condensers, coal and ash conveying machinery, mechanical stokers and other boiler room appliances; piping and steam fitting, including valves, separators, water and sewer connections and water meters; generators and generator parts, switchboards, cables and feeder terminals and wiring in connection with same, storage batteries, boosters, rheostats, circuit-breakers, ammeters and other electric equipment.

Commutator brushes for generators should be charged to Account No. 15.

Account No. 5.

MAINTENANCE OF SUB-STATION EQUIPMENT.

Charge to this account all expenditures for labor, material, tools, freight, hauling of material, and all other expenses incident to repairs and renewals of sub-station apparatus, including oil switches, transformers, rotary converters, switchboards and switchboard appliances, and wiring in connection with same.

Account No. 6.

MAINTENANCE OF PASSENGER, MAIL, BAGGAGE AND COMBINATION CARS.

Charge to this account all expenditures for repairs and renewals of passenger, mail, baggage, combination cars, electric locomotives used in passenger service, and other cars (exclusive of freight cars) from the operation of which revenue is derived, including labor, material, tools, freight, hauling of material, and all other expenses incident to the work.

The term "Cars" includes car bodies and trucks and all fixtures or appliances inside of or attached to the car body or truck, except the electrical equipment of the car.

The cost of cars purchased to keep good the original number of cars should be charged to this account, less the amount realized from the sale or other disposition of the cars so replaced.

The cost of repairs and renewals of the electrical equipment and wiring of cars should be charged to Account No. 8.

Bell and register cord, trolley rope, incandescent lamps, commutator brushes and other supplies for cars should be charged to Account No. 25.

Account No. 7.

MAINTENANCE OF FREIGHT AND EXPRESS CARS.

Charge to this account all expenditures for repairs and renewals of freight and express cars from the operation of which revenue is derived, and electric locomotives in freight and express service, including labor, material, tools, freight, hauling of material, and all other expenses incident to the work.

Account No. 8.

MAINTENANCE OF ELECTRICAL CAR EQUIPMENT.

Charge to this account all expenditures for repairs and renewals of the electrical equipment and wiring of passenger, mail, baggage, express and freight cars, electric locomotives, work-cars, and snow equipment, including labor, material, tools, freight, hauling of material and other expenses incident to the work.

The cost of shifting the electrical equipment of revenue cars, electric locomotives, work cars, or snow equipment from one type of car or miscellaneous equipment to another should be charged to this account.

The cost of equipments purchased to keep good the original number of equipments should be charged to this account, less the amount realized from the sale or other disposition of the equipments so replaced.

The cost of commutator brushes, incandescent lamps, oil and other supplies for electric equipments should be charged to Account No. 25.

Account No. 9.

MAINTENANCE OF MISCELLANEOUS EQUIPMENT.

Charge to this account all expenditures for repairs and renewals of electric locomotives not used in revenue service, work-car equipment (water cars, sprinkling cars, sand cars, salt cars, supply cars, other work-cars), snow equipment (snow plows, sweepers, scrapers, miscellaneous snow equipment), horses, harness and vehicle equipment, automobiles, and all other miscellaneous equipment not operated for the purpose of revenue (except electric locomotives which may be operated for the purpose of revenue in passenger or freight service and may also be operated in work-car service) including labor, material, tools, freight, hauling of material and all other expenses incident to the maintenance of miscellaneous equipment.

The cost of electric locomotives, work-cars, snow equipment, horses, harness, wagons and vehicles, and automobiles purchased to keep good the original number should be charged to this account, less the amount realized from the sale or other disposition of the equipment so replaced.

Horses lost by death or worn out in service should be charged to this account.

Repairs and renewals of the electrical equipment and wiring of electric locomotives, work-cars and snow equipment should be charged to Account No. 8.

Bell and register cord, trolley rope, incandescent lamps, commutator brushes and other supplies should be charged to Account No. 25.

- A. Electric locomotives.
- B. Work-car equipment (water cars, sprinkling cars, sand cars, salt cars, supply cars, other work-cars).
- C. Snow equipment (snow plows, sweepers, scrapers, miscellaneous snow equipment).
- D. Horses, harness and vehicle equipment.
- E. Automobiles.
- F. Miscellaneous equipment.

Account No. 10.

MISCELLANEOUS SHOP EXPENSES.

Charge to this account all expenditures for repairs and renewals of shop tools, machinery and appliances, such as engines, boilers, shafting, motors, etc., used in general repair work, including labor, tools, coal, coke, lubricants, waste and other material, freight, hauling of material, fuel, light, water and ice, wages of master mechanic, shop foreman, engineers, firemen, and other employes engaged in operating shop engine, and all other expenses incident to the general repair shops, including amounts paid shop employes for injuries and damages when

caused directly in connection with maintenance of equipment, including the expenses which cannot be actually allocated to any case, which expense is to be based upon the per cent. the amount paid for injuries and damages for account of maintenance of equipment bears to the total amount of injuries and damages.

Hand tools of mechanics or laborers used exclusively in connection with work chargeable to accounts Nos. 1 to 9, 15, 16, 25, 26, 29, 31, 32, 33 and 34, should not be charged to this account, but to the account benefited by their use.

TRANSPORTATION.

OPERATION OF POWER PLANTS AND SUB-STATIONS.

Account No. 11.

WAGES OF POWER PLANT EMPLOYEES.

Charge to this account all expenditures for labor in power plants, except labor employed in making repairs or renewals.

Wages of sub-station employees should be charged to account No. 16, Operation of sub-stations.

Account No. 12.

FUEL FOR POWER.

Charge to this account all expenditures for coal, oil, gas or other fuel used at power plant, including freight and hauling.

Account No. 13.

WATER FOR POWER.

Charge to this account all expenditures for water used to produce steam or to operate a water-power plant.

Account No. 14.

LUBRICANTS FOR POWER PLANT.

Charge to this account all expenditures for lubrication of power plant, including oil, grease, etc.

NOTE.—Waste and rags should be charged to Account No. 15.

Miscellaneous supplies and expenses of power plant.

Lubricants for sub-stations should be charged to Account No. 16, Operation of sub-stations.

Account No. 15.

MISCELLANEOUS SUPPLIES AND EXPENSES OF POWER PLANT.

Charge to this account all expenditures for operation of power plant not otherwise provided for.

Account No. 16.

OPERATION OF SUB-STATIONS.

Charge to this account all expenditures for labor in sub-stations, except labor employed in making repairs or renewals; cost of lubrication and all miscellaneous supplies and expenses of sub-stations.

Account No. 17.

PURCHASED POWER.

Charge to this account all expenditures for power purchased from other companies or power plants.

OPERATION OF CARS.

Account No. 18.

SUPERINTENDENCE OF TRANSPORTATION.

Charge to this account wages of the superintendent of transportation, division superintendents, their assistants and aids, road officers, inspectors and others employed in superintending transportation.

Account No. 19.

WAGES OF PASSENGER MOTORMEN.

Charge to this account wages of motormen engaged in operating passenger, mail, baggage and combination cars.

Account No. 20.

WAGES OF PASSENGER CONDUCTORS.

Charge to this account wages of conductors engaged in operating passenger, mail, baggage and combination cars.

Account No. 21.

WAGES OF FREIGHT AND EXPRESS MOTORMEN.

Charge to this account wages of motormen engaged in operating freight and express cars.

Account No. 22.

WAGES OF FREIGHT AND EXPRESS CONDUCTORS AND TRAINMEN.

Charge to this account wages of conductors, brakemen, and other trainmen engaged in operating freight and express cars.

Account No. 23.

WAGES OF MISCELLANEOUS CAR SERVICE EMPLOYES.

Charge to this account wages of starters, transfer agents, switch-tenders, flagmen, trolleymen, trail car couplers and other car service employes.

Account No. 24.

WAGES OF CAR HOUSE EMPLOYES.

Charge to this account wages of car house foremen, watchmen, car placers, car shifters, car and motor inspectors, car cleaners, lamp and head-light tenders, car-oilers, car-stove firemen, trolley-oilers, and other car house employes not engaged in making repairs and renewals.

The cost of shifting trucks and electric equipments from summer to winter cars, and vice versa, should not be charged to this account; but to Accounts Nos. 6 and 8.

Account No. 25.**CAR SERVICE SUPPLIES.**

Charge to this account all expenditures for lubricants and waste for cars and electrical equipment of cars, incandescent lamps, oil and other supplies for lighting cars, water and other supplies for cleaning cars, fuel for heating cars, bell and register cord, trolley rope, commutator brushes, tools and other material and supplies, except such as are used for repairs or renewals of cars or electrical equipment of cars.

Account No. 26.**MISCELLANEOUS CAR HOUSE EXPENSES.**

Charge to this account the cost of fuel, light, water (except water used for car washing chargeable to Account No. 25), ice and all other car house expenses not otherwise provided for.

Account No. 27.**TICKETS AND TRANSFERS.**

Charge to this account the cost of tickets and transfers, baggage and parcel checks.

Account No. 28.**PRINTING AND STATIONERY — CAR SERVICE.**

Charge to this account all expenditures for printing, stationery and stationery supplies used in connection with the operation of cars.

The cost of printing folders and other printing used for advertising purposes in the interest of traffic should not be charged to this account, but to Account No. 43.

Account No. 29.**MISCELLANEOUS CAR SERVICE EXPENSES.**

Charge to this account all expenditures for secret inspection, conductors' books, punches, portable registers, tools for motormen, car service employes' badges and uniforms, cost of getting derailed cars on track and removing obstructions and wreckage, and all other car service expenses not otherwise provided for.

Account No. 30.**WAGES OF STATION EMPLOYEES.**

Charge to this account wages of agents and others employed at stations.

Account No. 31.**MISCELLANEOUS STATION EXPENSES.**

Charge to this account the cost of heating and lighting stations, furniture, tools and implements for handling freight and baggage, station employes' uniforms and badges, water, ice, and all other station expenses not otherwise provided for.

Account No. 32.

OPERATION OF SIGNAL AND INTERLOCKING SYSTEM.

Charge to this account wages of employes engaged in inspecting and operating signal and interlocking system, fuel, water, lights, furniture, tools and all supplies used in inspecting and operating signals.

Account No. 33.

OPERATION OF TELEPHONE AND TELEGRAPH SYSTEM.

Charge to this account wages of train dispatchers, and their assistants, telegraph and telephone operators; cost of chemicals, copper, zinc and other supplies; pavements for use of telegraph and telephone lines and conduits, and all expenses incident to the operation of the telephone and telegraph system not otherwise provided for.

Repairs and renewals of telephone and telegraph system should not be charged to this account, but to Account No. 2, Subdivision D.

This account is intended to cover the expenses of operating a telephone or telegraph system used *primarily* for the dispatching of cars.

The cost of telephone service for general purposes should be charged to Account No. 48, Miscellaneous general expenses.

Account No. 34.

DINING, BUFFET, PARLOR AND SLEEPING CAR SERVICE.

Charge to this account wages of all employes in dining, buffet, parlor or sleeping car service; office and traveling expenses of those whose wages are chargeable to this account. Uniforms and badges for employes in this service, and all expenses in this service not otherwise provided for.

Account No. 35.

LOSS AND DAMAGE.

Charge to this account all expenditures for loss or damage of freight, express matter, live stock and baggage and all expenses incurred in connection with the settlement of such claims.

Account No. 36.

INJURIES AND DAMAGES.

Charge to this account all expenditures on account of persons killed or injured and damage to property, salaries and expenses of claim agents, investigators, adjusters and others engaged in the investigation of accidents and adjustment of claims, salaries, fees, and expenses of surgeons and doctors, nursing, hospital attendance, medical and surgical supplies, fees and expenses of coroners and undertakers, fees of witnesses and others; also, all law expenses incurred in connection with the defense or settlement of damage claims, including the compensation of general solicitor or counsel, salaries, fees and expenses of attorneys, fees of court stenographers, cost of law books, printing of briefs, court record and other records, court costs, expenses connected with taking depositions and all other court expenses.

The compensation of the general solicitor or counsel and other attorneys engaged partly in the defense or settlement of damage suits

and partly in other legal work should be apportioned between this account and Account No. 49.

This account is intended to cover only the expenditures on account of injuries and damages resulting from the operation of cars.

Injuries and damages when caused directly in connection with roadway and track maintenance should be charged to Account No. 1, Subdivision K, Miscellaneous roadway and track expenses; when caused directly in connection with electric line maintenance, to Account No. 2, Subdivision E, Miscellaneous electric line expenses; when caused directly in connection with maintenance of equipment (other than power plant and sub-station equipment), to Account No. 10, Miscellaneous shop expenses. Similarly, injuries and damages might properly be charged to Account No. 3, Subdivision H; Account No. 4; Account No. 5; Account No. 15; Account No. 16, or other proper operating account, or to Construction if the damage occurred in the process of work properly chargeable to Construction.

The expenses in connection with injuries and damages which cannot be actually allocated to any case are to be divided in the same proportion as the amounts paid for injuries and damages in specific cases are divided among the above accounts.

If it is desirable that the charge to operating expenses on account of injuries and damages shall be upon some arbitrary basis, the account so charged should be credited to a reserve account, and the actual disbursements above enumerated should be charged against said reserve account.

MISCELLANEOUS.

Account No. 37.

CLEANING AND SANDING TRACKS.

Charge to this account all expenditures for cleaning, greasing, watering, sprinkling roadway and tracks; sanding tracks, including wages of men engaged in the work; cost of sand and of hauling, drying and distributing same; cost of track brooms and other tools; curve grease, water for sprinkling and watering track and all other supplies and expenses incident to the work.

Repairs and renewals of sprinkling and sand cars used in connection with this work should be charged to Account No. 9, Subdivision B, Work car equipment.

Repairs and renewals of harness and wagons used in connection with this work should be charged to Account No. 9, Subdivision D, Horses, harness and vehicle equipment.

Cost of sprinkling rendered necessary by repairs or construction of track or paving should be charged to the proper maintenance or construction account.

Account No. 38.

REMOVAL OF SNOW AND ICE FROM TRACKS.

Charge to this account all expenditures for removal of snow and ice from tracks, whether done by the company or otherwise, including labor, material, tools and expenses, cost of salt and delivering same in car houses or bins, and the wages of men engaged in salting track and operating snowplows, sweepers, scrapers, etc.

Repairs and renewals of salt cars, snow plows, sweepers, scrapers and miscellaneous snow equipment used in connection with this work should be charged to Account No. 9, Subdivision C, Snow equipment.

Repairs and renewals of harness and wagons used in connection with this work should be charged to Account No. 9, Subdivision D, Horses, harness and vehicle equipment.

Account No. 39.

RENT OF EQUIPMENT.

Charge to this account rental of cars, electrical car equipment and other equipment.

Account No. 40.

RENT OF TRACKS AND TERMINALS.

Charge to this account all rents paid for tracks and terminals, bridge rentals and tolls.

The word "terminals" is not meant to refer to depots, car houses, or other buildings at the termini of the road. Rents for these should be charged to Account No. 26, Miscellaneous car house expenses, or Account No. 31, Miscellaneous station expenses. Rent of leased lines or terminals, the operation of which has been temporarily or permanently abandoned by the lessor, is not considered an operating expense and should, therefore, not be charged to this account, but treated as "Deductions from Income" under "Rent of Leased Lines."

TRAFFIC.

Note.—Accounts Nos. 41, 42 and 43 cover only expenses incidental to the securing of traffic. All expenses in connection with handling traffic are included in Accounts Nos. 18 to 36, inclusive.

Account No. 41.

SALARIES OF TRAFFIC STAFF.

Charge to this account salaries of officers directly in charge of traffic, such as traffic directors, traffic managers, general freight, passenger and ticket agents; their clerks and assistants; of commercial, city, district or excursion agents engaged in soliciting traffic, and employes of their offices; of traffic agents and solicitors when employed on or off the line of road.

Account No. 42.

MISCELLANEOUS TRAFFIC EXPENSES.

Charge to this account all miscellaneous expenses of the traffic department, including expenses of all officers and agents whose salaries are charged to Account No. 41; printing and stationery, furniture and supplies, heat, light, ice, water and other miscellaneous expenses of the traffic department and traffic agencies.

Account No. 43.

ADVERTISING AND ATTRACTIONS.

Charge to this account the cost of advertising of every description, including printing hand-bills, dodgers, posters, folders, etc., net expense of music, parks, park properties and resorts (after deducting all income from admittance fees, sale of privileges, etc.), and all donations made and other expenses incurred for the purpose of attracting travel.

GENERAL.**Account No. 44.****SALARIES OF GENERAL OFFICERS.**

Charge to this account salaries of president, vice-president, secretary, treasurer, auditor, general manager, assistant general manager, chief engineer, general superintendent, purchasing agent and all other officers whose jurisdiction extends over the entire system.

Account No. 45.**SALARIES OF GENERAL OFFICE CLERKS.**

Charge to this account the salaries of bookkeepers, cashiers, receivers, paymasters, stenographers, clerks employed in counting cash, tickets and transfers, and all other clerks employed in the general office.

Salaries of clerks employed elsewhere than in the general office should be charged to the proper account affected; for instance, time-keeper in the Roadway and track department should be charged to Account No. 1, Subdivision K, Miscellaneous Roadway and track expenses; also salaries of clerks in the office of the master mechanic should be charged to Account No. 10, Miscellaneous shop expenses.

Account No. 46.**PRINTING AND STATIONERY — GENERAL.**

Charge to this account all expenditures for printing, stationery and stationery supplies for the use of the general office.

Cost of printing tickets and transfers should be charged to Account No. 27, Tickets and transfers.

Cost of printing and stationery in connection with the operation of cars, should be charged to Account No. 28, Printing and stationery — car service.

The cost of printing briefs and other legal papers should be charged to Account No. 36, Injuries and damages, or to Account No. 49, Law expenses — general.

The cost of printing signs, posters and other advertising matter should be charged to Account No. 43, Advertising and attractions.

The printing of stationery in connection with maintenance of track and roadway should be charged to Account No. 1, Subdivision K, Miscellaneous roadway and track expenses; in connection with maintenance of electric line, to Account No. 2, Subdivision E, Miscellaneous electric line expenses; in connection with maintenance of buildings, fixtures and grounds, to Account No. 3, Subdivision H, Miscellaneous buildings; in connection with maintenance of equipment, to Account No. 10, Miscellaneous shop expenses; in connection with operation of power plant and sub-stations, to Account No. 15, Miscellaneous supplies and expenses of power plant, or to Account No. 16, Operation of sub-stations; in connection with traffic, to Account No. 42, Miscellaneous traffic expenses.

Account No. 47.

GENERAL OFFICE EXPENSES.

Charge to this account the cost of office supplies, repairs and renewals of office furniture, wages of janitors, porters and messengers, rental of general offices and all other miscellaneous expenses of the general offices. Office expenses of departmental offices should be charged to account affected.

Account No. 48.

MISCELLANEOUS GENERAL EXPENSES.

Charge to this account the cost of public telephone service, telegrams, subscriptions and donations, except those provided for in Account No. 43, Advertising and attractions, traveling expenses of general officers and others connected with general office; and contingent expenses connected with the general management not otherwise provided for.

Account No. 49.

LAW EXPENSES — GENERAL.

Charge to this account all law expenses, except those incurred in connection with the defense or settlement of damage claims.

The compensation of the general solicitor or counsel and other attorneys engaged in the defense and settlement of damage suits and partly in other legal work should be apportioned between this account and Account No. 36, Injuries and damages.

The term "law expenses" should be understood to include the salary of the general solicitor or counsel, salaries, fees, and expenses of attorneys, fees of court stenographers, cost of law books, printing of briefs, court records and other papers, court costs, expenses in connection with taking depositions, and all other court expenses.

Account No. 50.

INSURANCE.

Charge to this account the cost of fire, casualty, fidelity and all other insurance, except insurance affecting loss and damage or injuries and damages.

If it is desirable to establish an insurance fund in the case of a company carrying its own insurance, in whole or in part, charges to this account may be made upon some arbitrary basis.

APPORTIONMENT ACCOUNTS.**Account No. 101.****STORES EXPENSES.**

Charges to Stores Expenses, including all salaries and expenses in connection with storerooms, including cost of sending material and supplies from general storeroom to branch storerooms, and the collecting of scrap material, should be closed out monthly and carried to such Operating Expense Accounts, Construction and Equipment Accounts, or other accounts, as would be proper, based on the proportionate value of the material issued by the stores department.

Account No. 102.**STABLE EXPENSES.**

Charges to Stable Expenses, including the cost of feed, keep and shoeing of horses, and all other stable expenses, also wages of drivers, (horses lost by death or worn out in service, repairs and renewals of harness and vehicle equipment to be charged to Account No. 9, Sub-division D) should be closed out monthly and carried to such Operating Expense Accounts, Construction and Equipment Accounts, or Other Accounts, as would be proper, based on the use made of the horses.

Account No. 103.**USE OF POWER PLANT STEAM**

(For other purposes than generation of electric current).

Power plant steam, used for other purposes than generation of electric current, should be charged monthly to the work or accounts benefited by its use and credited to Account No. 103, Use of Power Plant Steam (for other purposes than generation of electric current). The credit so shown should be deducted from operation of power plants and sub-stations in order that the actual net cost of the generation of electric current for the propulsion, lighting and heating of cars operated for revenue be ascertained and shown.

If revenue is derived from the sale of steam, the credit should not be made to this account but to Miscellaneous Earnings.

Account No. 104.**USE OF ELECTRIC CURRENT.**

(For other purposes than operation of Revenue Cars).

Electric current, used for other purposes than the propulsion, lighting, or heating of cars, operated for revenue, should be charged monthly to the work or accounts benefited by its use and credited to Account No. 104, Use of Electric Current (for other purposes than operation of Revenue Cars). The credit so shown should be deducted from operation of power plants and sub-stations in order that the actual net cost of the generation of electric current for the propulsion, lighting or heating of cars operated for revenue be ascertained and shown.

If revenue is received from the sale of electric current, the credit should not be made to this account but to Miscellaneous Earnings.

Account No. 105.

OPERATION OF ELECTRIC LOCOMOTIVES, WORK-CAR EQUIPMENT AND AUTOMOBILES.

Charges to Operation of Electric Locomotives, Work-Car Equipment and Automobiles, including use of electric current, wages of employees operating electric locomotives, work-cars or automobiles, proportionate cost of car service supplies (Account No. 25) and all other supplies and expenses incident to the operation of electric locomotives, work-cars, or automobiles (cost of maintenance to be charged to Account No. 9 under the appropriate subdivision) should be closed out monthly and carried to such Operating Expense Accounts, Construction and Equipment Accounts, or other accounts, as would be proper, based on the use made of the electric locomotives, work-cars or automobiles.

W. M. F. HAM, *Chairman.*

H. L. WILSON,

F. R. HENRY,

W. M. G. McDOLE,

C. N. DUFFY,

*Committee on Standard Classification of Accounts and
Form of Report.*

*Discussion of Report of Committee on Standard Classification
of Accounts.*

PRESIDENT TINGLEY:— This report is now before you for action; any questions or suggestions which members have to put forward will please be addressed to the chairman of the committee.

MR. SMITH:— Would it not be well to take this report up commencing with Account 1, to see if any one has any suggestions to make to any of the subdivisions.

MR. FORSE:— Mr. President, if you are going to start at the beginning, I want to ask why in the committee's opinion separate primary accounts have not been recommended for those accounts designated here as sub-accounts.

MR. HAM:— I would answer the question in this way. The committee's opinion is that in adopting a standard it shall be for all companies, for the large company as well as the small one; that the burden of providing all of the sub-accounts to Account No. 1 would be unreasonable and unnecessary for every company in the United States. We think that to have one account for the smaller company, and capable of subdivi-

vision, as we outline, for the larger companies, or for those companies that might care to use that subdivision, would be better so far as a standard is concerned. However, we are open to suggestion and would like the opinion of the convention on that point.

MR. FORSE:—I have one objection to calling these sub-accounts rather than primary accounts. In interurban practice especially it is the custom to buy up, lease and absorb other smaller properties, and if the smaller property has not been required to keep detailed accounts they won't keep them. When we get the smaller company and combine it with the larger and want to make comparisons with previous years' expenses, we are up against it. The Interstate Commerce Commission, as you know, prescribes certain primary accounts, such as ties, rails, special work and ballast, and they affect a small road just as well as a large one. If a road extends only from here to Philadelphia, it is an interstate road just the same as the Pennsylvania system, and must use separate expense accounts. Those are my objections to the sub-account.

MR. SMITH:—I would like to ask Mr. Forse or any other auditor how we are going to expect a small section gang to keep track of the time that it puts in in putting in new ties and relaying the rails on that; how that is going to be handled.

MR. FORSE:—You will notice that no provision is made for separating the item in this, or in the interstate classification. The cost of ties and rails is separated, but not the labor cost of applying them.

MR. SMITH:—I would like to ask Mr. Ham where he would put in tunnels, under 9?

MR. HAM:—The second word in the fourth line under G, page 104, "tunnels."

MR. HENRY:—I would suggest, Mr. President, as the general headings of this classification are somewhat different from the other classification, it would be better to decide on these general headings, then take up the divisions and subdivisions later on. "Traffic Expenses" has been added as an additional general heading.

PRESIDENT TINGLEY:—It is moved by Mr. Henry that we take up the general headings for discussion first and then the discussion of the division of the general accounts. (Carried.)

MR. FORSE:—In the serial order in which these accounts are placed, I think there should be a logical arrangement. In our construction account we get, first, “organization,” and then the consequent development work. Now we know that we must get the passenger before we can carry him. Therefore, I think “traffic” should come before “transportation.”

MR. DABNEY:—I would like to ask if this committee took up the matter of harmonizing electric light and railway classifications.

PRESIDENT TINGLEY:—I can answer for the committee that it did not at this time. That question is still before it.

MR. DUFFY:—In answer to Mr. Forse I would say that the Chicago Union Traction Co., for instance, would not have any expenses under “traffic” before it got the people to carry.

MR. FORSE:—It is generally understood, Mr. Duffy, that that traffic expense covers the solicitation and procuring of the traffic, as I take it.

MR. DUFFY:—But there would be none in this case.

MR. FORSE:—There might be exceptions, but I think as a general rule it is intended to cover solicitation.

MR. DUFFY:—Surely there is no solicitation of traffic on urban railways.

PRESIDENT TINGLEY:—There is solicitation of traffic by urban railroads where they go after and look after picnics and other business of that kind. It may not be the actual solicitation, but there is the booking and floor handling of passenger business before it comes to the car. I have in mind, outside of my own properties, that the Philadelphia Rapid Transit Co. handles a good deal of special picnic business, not only to their own Willow Grove Park, but other points of interest, where business is booked ahead. Special cars are brought to the various steam road stations or designated points upon the line and parties are picked up and carried to their destination.

MR. SMITH:—I move that the general heads and their order as reported by the committee be accepted and recommended for adoption.

(The motion was accepted.)

MR. GLOVER:—I should like to ask the chairman of the committee why it changed the general heading “Maintenance of Way and Structure” and made “Way and Structures” a sub-heading under “Maintenance” and “Maintenance of Equipment” another sub-heading?

MR. HAM:—We have had three grand divisions, Maintenance,” “Operation” and “General.” Under “Maintenance” we had two subdivisions, “Way and Structures” and “Equipment.” Under “Operation” we had two subdivisions, “Operation of power plant” and “Car service,” making what you might call three grand divisions, but really five divisions. Now this is changed, as you will see, by having four grand divisions, “Maintenance,” “Transportation,” “Traffic” and “General;” maintaining the same two divisions under “Maintenance,” of “Way and Structures” and “Equipment,” but under “Transportation” having three divisions instead of two, “Operation of power plants and sub-stations,” “Operation of cars” and “Miscellaneous.”

MR. GLOVER:—The classification I have always used showed the other heading. It must be a misprint in the copy I had; but the Interstate Commerce Commission prescribes five general heads. We call them general ledger accounts and carry in our general ledger, and I do not see why we should not adopt the five general heads to agree with the interstate classification. The conditions with us are, that we have a steam road as one of our divisions. It is an electric line, but we have a steam road division. We have been making reports to the Interstate Commerce Commission for years for the steam road. We used the steam road form of report, and from correspondence with the representative of the commission understood this form of report would be the basis of future reports that we will have to render, and that it would be only a question of time when a new report would be gotten out for electric roads following the lines of steam roads. It was our endeavor to conform as nearly as we could to the

steam railroad classification, especially in the general heads. I would regard it as unfortunate if we changed the general headings in our classification from what the steam roads now have.

PRESIDENT TINGLEY:—I would answer Mr. Glover by saying that this association, through its Standardization Committee and a special committee, has been in contact with the Interstate Commerce Commission for over a year on this subject, and we are trying now to produce a classification which not only will meet all our needs but will also be acceptable to the Interstate Commerce Commission; and I feel confident that when we get through with it Mr. Glover will find he will have a classification which will conform to the requirements of the Interstate Commerce Commission.

MR. GLOVER:—Well, what objection is there to making "Maintenance of way and structures" one head and "Maintenance of equipment" another general head, instead of subdividing it as you have here? It is the same wording exactly, but setting up five accounts instead of four.

PRESIDENT TINGLEY:—We have simply followed our precedent there.

MR. GLOVER:—But don't you think it would be advisable for us to change? I do not think the Interstate Commerce Commission would want to change its arrangement of accounts. If it is to be changed it would be better for us to make the change now, if we could, than to wait a year and then be compelled to make the change. It is such a slight change that I do not see why any one should object to doing it. Our line would be compelled to do it regardless of what this association did, and that is why I am so interested in it and hope the association will do something to this end.

PRESIDENT TINGLEY:—Mr. Glover is not in a peculiar situation in that respect. We will all be compelled possibly to make some changes that we do not want to.

MR. BROCKWAY:—The present arrangement of having all maintenance under one heading permits us to gain one total for all maintenance costs, which if they were separated under "Maintenance of Structures" as one and "Equipment" as one, would involve more or less a violation of the classification, in putting in an additional total for total maintenance.

MR. HAM:—Mr. President, if I might explain my position, we make this report in this way, we have made it in this way before, and we still continue to make it, because we think it is the best way to do it. Omitting this new idea of traffic, if you will for the moment, we believe that there are three things about a railroad,—one is to operate the cars, conduct the transportation end of it; another is to maintain the property, and the third is the general administration. Now we have seen fit to go one step further and say that there is another part, which is the securing of the traffic itself, which does not properly apply to either of these other three divisions. I think what Mr. Brockway says is exactly right, that there should be some combination of figures made right in the report itself which represents the amount spent in the up-keeping of the property; and if the Interstate Commerce Commission has done differently, or if the Association of American Railway Accounting Officers has done differently, we still think that this is the best way.

MR. FORSE:—Should not some consideration be given to the logical arrangement of these accounts? We have always tried to be logical and have one step follow orderly after another, and why should we now reverse our decision? There has not been any argument produced, that I can see, that shows that we do not have to solicit or procure the passenger before we haul him. You know our construction accounts run from A to O, and each is supposed to be a step in the progress of the construction and development of the company. Is there any argument why we should not place the traffic expenses before the transportation? I should like to hear an argument of that kind, or I should like to make an amendment to the motion as proposed by Mr. Smith, that with that amendment his motion be made effective.

MR. SMITH:—Most all accounts have at the tail end a dumping ground “Miscellaneous,” that we stick the little tag-ends into. The important things come first. Now this traffic business is a small item with most of us, and it seems to me that the proper place for it is at the end, after the important things.

MR. DABNEY:— It seems to me the argument is pretty good both ways. You have to find cars before you can carry the people. You may have to operate them without carrying people. You might have a franchise that required you to operate cars and might not have any one to speak of to ride on them.

MR. FORSE:— There would be no traffic expense then though.

MR. HAM:— Mr. President, as to the matter of logical sequence I admit that there is as much to be said in favor of putting "traffic" ahead of "transportation" as there is in putting "transportation" ahead of "traffic," but I am influenced by the same thought that Mr. Smith has expressed, that the relative importance of a certain branch of the business is to be considered, and I scarcely think that the $\frac{1}{10}$ tooth should precede the $\frac{99}{100}$ ths. Now, that is the condition with the majority of electric railroads, that it is the moving of the business rather than the securing of the business that is of the greater importance.

MR. DUFFY:— Mr. President, I would like to add to what Mr. Ham has said in the endeavor to explain to Mr. Forse, that my argument for the arrangement of "traffic" after "transportation" and before "general" is, first, that it is not the case in the general electric railway business that you first have to secure the traffic, or that you have expenses covered by 41, 42 and 43, before you get traffic. An ordinary urban or interurban railroad, especially one that does not haul freight, gets its traffic without incurring anything under 41, 42 or 43, for a very large proportion of that business. Secondly, I regard the three accounts as being somewhat of the nature of transportation expenses and somewhat of the nature of general expenses. They are very largely of that nature in my opinion, but properly grouped, as I believe, under a separate subdivision. I do not think it is a very large question whether "traffic" precedes "transportation" or not, as Mr. Ham has explained, but to my mind, and from the explanation that I have given of my view-point, I would not be in favor of changing its present position.

MR. FORSE:—Of course in urban practice it is almost a minus question, as you have already stated, but you know that the interurban business is just in its infancy. The different lines are linking up and making great trunk lines, and we should look forward and think what it will be in, say, ten or five years from now, rather than at the immediate present. We who have had experience with long distance and fast interurban systems realize that this is going to be a pretty big proposition, and I should think that when we are making arrangements we should be logical and get the "transportation" after the "traffic." We must get the passenger, I still say, before we can transport him.

PRESIDENT TINGLEY:—The question is on Mr. Forse's amendment that "traffic" be placed before "transportation."

(The amendment was lost.)

PRESIDENT TINGLEY:—The question now is on Mr. Smith's original motion that the general headings be approved as recommended by the committee. (Carried.)

PRESIDENT TINGLEY:—Now, gentlemen, you are down to the question of details.

MR. DUFFY:—Mr. President, following the thought that Mr. Henry had in taking up one thing at a time, I would suggest that we take up the question of the grouping of the ten accounts as shown under "Maintenance," accounts numbers 1 to 10 inclusive.

MR. FORSE:—I believe I made my self clear in my talk a while ago that we should not permit latitude in the use of these accounts. If we are going to recommend them we should insist that they be used. It is my impression that this is to be used as the basis of negotiations with the Interstate Commerce Commission and that the recommendation of this committee will be considered by the commission. If that is the case I believe the association should recommend that accounts be kept separately for all of the accounts that are stated here as sub-accounts, that they be considered as primary accounts rather than sub-accounts.

MR. HAM:—Mr. President, just one thought there. I would like to have you all bear in mind that we are not preparing a classification which applies only to the roads that

are under the jurisdiction of the Interstate Commerce Commission. The electric railroads that are subject to the supervision of the Interstate Commerce Commission, compared to the total of electric railroads, are a very, very small percentage, and as we are now engaged in an effort to provide a classification which will be most suitable for all electric railroads, it does not make any difference whether they are interstate companies or whether they are purely within a given state. And we want to bear in mind most particularly that this classification is for the company that operates one car just the same as it is for the Interborough Metropolitan of New York City; and I think it appeals to any one that you do not require the same detail from a company that is operating two or three or six cars that you do from the Boston Elevated or from the Metropolitan or from the Chicago City of Chicago. Personally I still believe that the sensible classification is a simple one that allows of indefinite expansion to meet the requirements of the different size companies. Let the classification itself be simple, let it be concise, let it be easy for every company that has to use it, have it so made that it is capable of expansion to meet the requirements of the larger company. We are perfectly willing to have main accounts if the association thinks that the interests of all companies are better served in that way, but it is with the thought I have just expressed that we provide one account of "Maintenance of track and roadway," which is a main account and which will meet the requirements of all companies, and that we recommend this subdivision of that account for the use of companies which are of sufficient size to gain something by it.

MR. DUFFY:—I would like to say in addition to what Mr. Ham has said, that I favored the other classification, and ten years' use of that has demonstrated the soundness of the position taken, that every road would make such amplification and have such detail as it saw fit, and this association could not lay down what should be a standard detailed amplification of any one account. Our thought was that they should build into one large account.

This thought has been suggested by Mr. Smith's question. Undoubtedly any company who really wanted to know what an analysis of "Roadway and track" account means, would never be satisfied with having all that labor, as it is consolidated here, under J. They would want to know what the labor was in laying the ties and applying the rails and fastenings and spreading the ballast, etc. You would get into infinitesimal details, I am afraid, to undertake to specify everything for general use. I would also like to say for Mr. Forse's information, particularly, that in conversation with Mr. Meyers,— and I say this with all due respect to Mr. Edwards, because I was very much interested in that report of Mr. Edwards,— Mr. Meyers criticized the report, his principal criticism being that there was entirely too much detail. Mr. Meyers is the representative of the Interstate Commerce Commission and he is also the representative of the Public Service Commission, Second District of the State of New York, the gentleman whom we expect to meet with in conference on Tuesday, with others. He suggested with reference to Mr. Edwards' classification that it might be all right for the New York Edison, but that he thought as a practical proposition it would be absolutely necessary to scale it down, that there would probably be companies under Class A that would want that classification, and Class B would be smaller, and Class C smaller still, that is, smaller in the sense of being more concise, condensed and concrete, but that the smallest one should be in conformity with the largest, and the largest one should build up from the smallest. My judgment is that we would be a great deal better off to have one account "Roadway and Track," and suggested sub-accounts or suggested analyses under these different letters, or if you are going into detail you should go into greater detail, when we would meet the objection that Mr. Ham so well states.

MR. FORSE:— It is too bad we have not some steam railroad accountant here to tell us how he handles 120 Interstate Commerce accounts, because I am sure it would be quite interesting. I can say nothing further, I believe.

MR. SMITH:— Don't you think he would wish it to be cut down to 60?

MR. FORSE:— Yes.

MR. SMITH:— Let us keep ours down as low as we can.

MR. GLOVER:— I will say for Mr. Forse's benefit that I was connected with a steam road, a small road, at one time, and we had to render a report and use the Interstate classification for a six mile road.

MR. SMITH:— Did you like to do it, Mr. Glover?

MR. GLOVER:— No, sir. I agree with Mr. Duffy and Mr Ham, that the simpler we get it the better it is.

PRESIDENT TINGLEY:— I am in this position myself, as a holding company, that I have one little property where one man is time-keeper and clerk and everything else, and with the time he has in which to do all that, I think I would have a resignation on my hands.

MR. DUFFY:— I would particularly like the members to understand that we are submitting a classification for all roads. It is not fair to consider the conditions of any one company. We had a larger motive than that. In that connection I would like to call attention to what Mr. Steuart said in answer to my question, which was not prompted by idle curiosity but by considerations relating to this classification,— whether the Census Bureau schedule distributed here to-day was the same as he had in 1902, and my recollection is he said that that had 38 questions and this one 25. Is that right, Mr. Steuart?

MR. STEUART:— That is correct.

MR. DUFFY:— I think I also remember you saying that so far as you were concerned, meaning by that your department and your work, you would be glad to see it further condensed. Am I correct?

MR. STEUART:— You are correct.

MR. DUFFY:— Now, that is the broad position of this committee. We do not want to cut out anything, but we do not want anything that we think is unnecessary or may defeat the purposes that the classification is designed to meet. Mr. Steuart was kind enough to send me a great big thick book before the 1902 report went out, and I got on the train and went to Washington, and Mr. Ham and myself persuaded him that it would be very desirable to cut that down. He accepted our suggestion and did cut it down. Now he has

gone through one census and he feels that he is willing to cut it down again for the second one. I think if we can make these accounts concrete, condensed, concise, and carry the information, that is what we want.

MR. SMITH:—I think, still further, that is what the Interstate Commerce Commission wants. I think Mr. Adams is a very broad minded man, and anything this association recommends will have great weight with him. He will think a great while before he will upset any of our plans, and I believe that we have not a great deal to fear from Mr. Adams of the Interstate Commerce Commission. If we will honestly get at the classification that we think is suited to the needs of the small and the large companies, I believe it will accept it.

MR. BALAGUER:—I move that Mr. Smith's original motion be acted on in the same way regarding this. We are losing a great deal of time, it seems to me. I move that the headings under "Maintenance," from 1 to 10 be accepted as prepared by the committee.

MR. HAM:—I do not wish to have you go too fast on this, because one of the main objects in presenting this is to have full and free discussion, and I would limit that, if you will, to Account No. 1 that is to say, that there shall be one account, "Maintenance of Roadway and Track," or perhaps one main account,—one primary account, viz., "Maintenance of Roadway and Track."

(The motion was carried as amended by Mr. Ham.)

MR. HAM:—I want to call attention to the subdivisions of Account No. 1, and especially to call the attention of the members of the association to certain wide differences that obtain in the instructions with regard to these subdivisions and those which are now contained in the classification.

Account K, "Miscellaneous roadway and track expenses," contains the item of printing and stationery for the use of the maintenance of roadway and track work. It likewise contains the damages, the amount incurred in the settlement of damages where the cases were incidental to track work. Of course the adoption of these subdivisions as they are now presented means a similar change all along the line, and it

might be a saving of time if I explained that Account No. 46, under "General," which formerly included all printing and stationery with the exception of printing and stationery charged to advertising and attractions and printing and stationery chargeable to the legal department, is now to cover only printing and stationery for the general office. All other printing and stationery is charged to separate accounts according to what you might call the account benefited. These accounts, however, except in one case, which is Account 28, "Printing and stationery—car service," are merged in some other account. We did not consider that there was any necessity of a primary account of printing and stationery under "Maintenance of roadway and track" nor any necessity of a primary account of printing and stationery under "Maintenance of equipment." Those are merged into the miscellaneous expenses incidental to those maintenance accounts.

A similar plan has been followed with regard to damages. That is to say, damages are taken out of the general expenses and placed under "Operation of cars," to cover the damages which are directly in connection with the operation of cars. That does not, however, include any damages resulting from any other cause. For instance, if a man is injured in the power station in the course of repairing an armature, his time or expense is properly chargeable to the maintenance power station equipment. So if he is injured in doing work in the shop, his time is chargeable to the maintenance of equipment through the miscellaneous shop expenses.

I wanted to make that entirely clear to you because it involves a radical departure from our previous practice and it does not have the unanimous approval of our committee.

MR. SMITH:—I would like to ask Mr. Ham if he thinks it is entirely logical for the committee to slip in a little thing like printing and stationery for track department and leave out insurance on track buildings.

MR. HAM:—Well, when you get down to the finest analysis you could charge everything probably to some specific thing. Now, there must be a line somewhere. Personally I do not take any stock in this dividing of printing and stationery. I think printing and stationery is too small a matter to separ-

ate, and I believe that with the average company you get more information from having it all in one account than you do in separating it and losing sight of it by such division.

MR. SMITH:—That is my objection exactly. I do not think it belongs there at all. I would rather see printing and stationery form one lump sum.

MR. HAM:—This subject of printing and stationery was one of the points that was discussed very fully by the American Railway Accounting Officers. There was a great difference of opinion among them as to the propriety of dividing it for steam railroads; and then another thing, which it is not out of place to say, is that many of the things that are now in the classification for steam roads were decided by a scant majority vote. That is to say, it was just a matter of opinion, and those things are susceptible of change in the future. There is nothing done that is going to stay done forever.

MR. BROCKWAY:—May I suggest that if the committee is not wholly agreed upon the distribution of printing and stationery and damages, that they be placed back under "General" and sub-divided there, "A" to "X," as you may please, so that the total amount of stationery and printing may be gained, and at the same time the subdivision by departments and any other way may also be gained.

MR. DUFFY:—Mr. Brockway, I would like to suggest in connection with your remark and also the question as to what constitutes charges to Account No. 1, that all this will come up when we get to those items under "General," and if it is decided that all printing and stationery shall be in one account under "General," or damages under one account, that in itself will remove it from these accounts, because pretty nearly every one of these accounts is the same way in so far as they use printing and stationery or in so far as they may be affected by insurance and damage charges.

PRESIDENT TINGLEY:—On the other hand, Mr. Duffy, if we should approve of printing and stationery under Account No. 1, we have to carry the division on to the other sub-accounts in order to be logical. Is it not perhaps as broad as it is long?

MR. DUFFY:—That may be true, but I think if the judgment of the gentlemen is that that should be one account, if they arrive at that decision in discussing the general accounts, it would take care of this present arrangement under the Account No. 1, for instance.

MR. FORSE:—There are 16 pages to this text and most of the accountants present have not had it for consideration more than a few minutes.

PRESIDENT TINGLEY:—It was distributed on Tuesday.

MR. FORSE:—I am sure that a majority of the accountants here have not had time for consideration of it. I think the matter could just as well go over to the next convention so far as taking action upon it is concerned, and that ample time should be given to all the members to consider it before the subject comes up for discussion in open convention.

MR. SMITH:—I think the gentleman is mistaken in that. I believe that by the first of January there will be in force in New York a classification of operating expenses for the use of the New York railways, that is pretty certain to be adopted throughout the country generally, and I think possibly the action of this association at this meeting would have some bearing on the classification which will be gotten out. If we recommend a classification I am sure that our recommendation will have weight with the New York Commission, and it will help our Classification Committee very greatly in its work before that committee if we can recommend something for adoption.

MR. FORSE:—Then, Mr. President, in view of the fact that we cannot attempt to cover these 16 pages of text in this meeting, I suggest that the committee be given power to act as it deems best.

PRESIDENT TINGLEY:—Possibly that would be a good thing to do, Mr. Forse, ultimately. The committee, however, has asked for a full discussion in order that it may know the mind of the convention, and I think it is only fair that we should give it the benefit of as full a discussion as possible; and as the time is getting late for this session, I would think it well to go along as far as we can and then make this a special order for the first thing to-morrow morning and con-

tinue the discussion to-morrow. In my judgment it is far and away the most important question before us to-day. This question, I think, must be thrashed out even if we have to drop something else from our program.

MR. DUFFY:—It is now ten minutes of six, and I think it would be very much in order if we adjourned and if each gentleman would do all he could between now and to-morrow morning to study the classification. Personally and as one of the committee I would like very much if Mr. Forse would have the opportunity to give the matter thought over night and aid the convention and the committee with his views in the morning. We cannot do more than pass on an account or two more now, and I think it would be better if we adjourned now and took it up for further consideration to-morrow morning, beginning with Account No. 1, there being a motion before the house now.

PRESIDENT TINGLEY:—Before adjourning the chair would like to appoint a committee of three to confer with Mr. Steuart,—I will appoint on that committee Messrs A. Stuart Pratt, chairman, F. E. Smith and W. B. Brockway.

MR. HAM:—I just want to say one thing bearing on this classification which I wish you will all accept as being absolutely true. Now, the committee has no desire to railroad anything through here, and we are perfectly willing to have this changed in any way and every way that the gentlemen of this association want. We have absolutely no personal feeling about this, and the main advantage in presenting it to the association is that there shall be a free discussion and criticism, and that when we get through we shall have something which represents the thought of this association brought up to the year 1907. Now, that is what we want; we do not care anything about this classification as it is presented to you, but we simply want to get what you gentlemen think is best. So there is no wish or thought that we are trying to push anything through, and I want you to accept that as absolute truth, because that is the case.

MR. SMITH:—Don't you think that when this association has recommended something, it will have great weight with the commissions?

MR. HAM:— Why, I certainly think it will have weight.

MR. SMITH:— Well, great weight?

MR. HAM:— I think it will have great weight.

MR. LINN:— I quite agree in some respects, Mr. President, with what Mr. Forse has said. The first copy of this paper I received came to me within the last 24 hours to all intents and purposes, and I believe there are a great many other members present who have not had the report any longer than I have. I appreciate, and I think we all appreciate, the amount of work that has been done by the committee, and it is entitled to our hearty cooperation and support. Nevertheless, before the association or the convention as a whole votes on this proposition, I believe opportunity should be given to go over it very carefully. There isn't any hurry. If, as Mr. Smith states, it will have weight, won't it have more weight if it is properly considered by all the members of the association and voted for by it with a thorough understanding of everything and the many changes that enter into this classification, than if it is merely the recommendation of a committee and a majority of the roads represented in this association do not adopt it in their own work?

PRESIDENT TINGLEY:— I would say to Mr. Linn and also to Mr. Forse and all the members of the convention, that when this matter first came up it was the thought of the Classification Committee and of the executive committee and your president, that the classification could be prepared in ample time for advance publication, giving each one an opportunity for careful study. As matters developed it became a grave question in the mind of both the chairman of the Classification Committee and your president as to the expediency of presenting a report at this time at all. Events developed last week which plainly showed us that it was imperative that something should be done and done very promptly; and just as promptly as the report could be formulated and placed in the hands of the association that was done. It was distributed here yesterday to those who were here, with the request that they study it, and we are carrying the subject over till tomorrow to give further time for study. I believe that for the best good of the street railway industry of this country,

sinking any question of individual preferences or the prestige of this association, that it is imperative that your Standardization Committee and the special committee which will represent us from that committee before the Public Service Commission of the Second District of New York, should have behind them the vote of this convention on this report. It does not necessarily mean that this classification will be put in force tomorrow, or next week, or the first of the year, but it gives them the moral support of the entire street railway industry in their negotiations with these commissions, and that would be a point of great importance with them.

MR. LINN:—I would like to ask if the gentlemen will stand whose companies will be affected by any change of accounts that may be adopted by the Commission for the Second District of the State of New York.

MR. HAM:—I do not know just what the purpose of that suggestion was, but owing to the fact that we have with us a representative of the Interstate Commerce Commission, and, further, that we had with us yesterday a gentleman who represented the Second District of New York and also spoke for the Interstate Commerce Commission, and, further, the fact that there is to be the closest harmony of action between the Second District of New York, probably the First District of New York, and the Interstate Commerce Commission; further, that the action of the Interstate Commerce Commission and the State of New York will undoubtedly be followed by every other railroad commission in the United States that calls for reports from electric companies, I think you can all see that every company represented here is going to be affected by the classification that is to be adopted in New York. We are right now at the turning of the tide and there is going to come a change in the classification. There is no question about that. Something is going to be done. Now, are we going to sit back quietly and let these people prepare a classification in which we have no voice at all, or something which they will not be in a position to know whether it meets our views or not,—and I want to say that they are anxious to secure our views, they are anxious for us to advise and consult with them,—or are we going to try to bring a classi-

fication right up to date and present it to them as representing the best thought of the electric railroads of this country? Now, there are only two things to look at here, gentlemen,—are you going to take the course which does nothing, or are you going to do something?

MR. LINN:— I quite agree with what Mr. Ham has said, Mr. President, and I think it should be carried through, but I do not see how you are going to do it in one session or two. So far as I am concerned, or the representatives of the companies I am identified with are concerned, we are willing to stay here a week. There are certain departmental expenses,—such as the printing and stationery item brought up, and these will affect a great many of the accounts, and it will take time.

PRESIDENT TINGLEY:— Mr. Linn, I do not think this is to be so much a question of refinements of these accounts as to lay down some broad general principles, and I am one of the kind who believes that printing and stationery belongs by itself, but it is not going to hurt me at all to divide it if the commission says I must, and I do not propose to fight with the commission over that question.

MR. LINN:— I am not speaking of printing and stationery primarily, I am speaking of the principle of departmental expenses, where you have departmental heads responsible for those departments. It is not only printing and stationery that is involved.

PRESIDENT TINGLEY:— That is a broad general question and can be discussed as such.

MR. DUFFY:— I think departmental accounting is one thing. I think a broad classification of accounts for the conduct of a great industry like the electric railway business is another thing. Speaking for Milwaukee, we have fifteen department accounts and we have followed this classification in Milwaukee since 1897, on urban and interurban roads.

MR. LINN:— You mean the one we are now passing on?

MR. DUFFY:— No, the one that was passed on in 1897.

PRESIDENT TINGLEY:— The hour of 6 o'clock having arrived, a motion to adjourn is in order.

Adjourned to Thursday, October 17th, at 9 A. M.

THURSDAY MORNING SESSION

OCTOBER 17, 1907.

President Tingley called the meeting to order at 9:30.

PRESIDENT TINGLEY:—We have an old friend who has always been with us ever since I have been in attendance at the conventions, Mr. A. L. Judson, of Albany. It was Mr. Judson's intention to be at this meeting but I have received a letter from him regretting that important business prevents his attendance and sending his regards to "the boys."

✓ The special order for this morning is the resumption of the discussion of the report of the Classification Committee, Account No. 1.

MR. FROSE:—Mr. President, I would like to ask the committee why it has not put "Cleaning and sanding track" under Account No. 1,—just to start this discussion going?

PRESIDENT TINGLEY:—The chairman of the Classification Committee has made to me a suggestion and it seems to me a valuable one. That is, that for the benefit of the members of the association who are not familiar with the steam road classification, that we ask Mr. Balch to state briefly some of the differences between this tentative classification and that of the steam railroads.

MR. BALCH:—Mr. President and gentlemen of the association, I do not come to you with any desire to speak, and I am not empowered to speak with authority for the Interstate Commerce Commission, but I feel this morning a good deal like a good Methodist who drops into a prayer meeting — after it gets going pretty well it is hard for him to keep still. As an accountant I have a great personal interest in this matter, and what experience I have had may be valuable to you, and inasmuch as one of the great problems before you this morning is the harmonizing of conditions complicated in some cases by the same line having both steam and electric operation to report, it seems to me that possibly

we may gain something by getting a little of the point of view of the steam railroads on this subject, that is, purely as information, and I want to contribute it purely from the personal standpoint.

If I may speak in a little more general way than your speaker has intimated, I want to say on behalf of your committee, that it has handed you this report, it seems to me, very modestly and with but very little comment, and I know very well that a great deal of time has been spent on it. A long stride has been made toward reconciling these points of difference, which may not be apparent to you gentlemen who do not seem to be familiar with both classifications; and so in a brief way I want to bring before you some of those points, not that I am defending your committee, because it does not need any defense, for you are certainly very loyal to it, but in order to bring before you this subject of the reconciliation of these two classifications, I want to go through it in a somewhat general way.

The expenses are divided under the four headings in this recommendation, that is, "Maintenance," "Transportation," "Traffic" and "General." If I may just give you a little clearer insight into the line between these different items, it will help us, I believe, all the way through. Understand, this is the same line that is drawn specifically by the men operating steam railroads, and in all that I say I want to have you understand that I am not trying to influence you one way or the other, because what is desired most of all, I am sure, is a free, frank expression from all of you gentlemen, and I do not want to do anything to prevent getting that.

In the first place, as to "Maintenance," we have the maintaining of the property and the preparation of it for the conduct of transportation. The unit which the public applies generally to maintenance expenses is your miles of road and the general characteristics of the line. Then, you have the equipment expenses, which really should represent the cost of maintaining the revenue equipment. This line that has been drawn by the Accounting Officers of America is a line which has put the work equipment over into the maintenance of way

expenses rather than in the maintenance of equipment expenses, because the result of that has been that maintenance of equipment expenses now, in their classification, represents the maintenance of revenue equipment, eliminating the work equipment. It is the following of that line of philosophy that has put work equipment into maintenance of way expenses.

Then you have "traffic expenses" which represent the solicitation and gathering together of the traffic. On the steam roads this includes the expense of the general associations which meet to discuss and frame rates, both passenger and freight, and route traffic and so on. There is no direct unit to be compared to the traffic expenses except the gross earnings. The industry or efficiency of the traffic department is reflected in the gross earnings of the railway. The "transportation expenses" represent the actual cost of handling the traffic and are reflected in the ton miles, or in the case of passenger business, in the passengers carried, or efficiency indicated, as you put it, by the car-hour, the car-mile, or some unit of that character. The transportation expense should include all of the expense which is directly handling or pulling the business, or directly the result of transporting the business, as in the case of damages, injuries to persons and items of that character.

The "general expenses" are administrative expenses. Now, one great thing which we must all recognize in this meeting and everywhere, is that whatever we do is going to be subject to public comment,—possibly public criticism would be a little too strong,—because we hope it will not be criticized, at least adversely; but it will be subject to public comment, and the Interstate Commerce Commission shares with you that same feeling, and must share it, that it is going to be subject to public comment in whatever is sent out from its office. Now, the first item that the public looks into, the investor and the interested man generally, is the general expense, the administrative expense, whether it be an insurance company, a manufacturing company, a railroad company or any other industry or enterprise. Following this thought and the leadings which this thought throws out, the Accounting Officers of America have recommended the taking out as far as pos-

sible from general expenses those items which are directly related to the transportation, the maintenance or the traffic expenses, resulting in the charging of the pay and expenses of a vice-president in charge of maintenance to maintenance expenses, the pay and expenses of a vice-president in charge of traffic to traffic expenses, the pay and expenses of a vice-president in charge of transportation to transportation expenses, which leaves the general expenses reduced to the minimum. You will find in coming to this under "General Expenses," that your committee has acted in harmony with this theory, and that is the fundamental theory which has put the injuries to persons charges resulting, possibly, in the repairing of a building, where a man is injured, as a part of the cost of that building because it is a direct result of the effort expended in the maintenance of that property. The stationery and printing used by the department in charge of buildings is a part of the cost of producing that part of the work, and so on. They have not treated the item of insurance in the same way which I believe it is fitting to speak of right here, because the Accounting Officers of America have treated in the same way the item of insurance.

In the matter of transportation expense, the damages, resulting from the conduct of transportation, are a part of the transportation cost, and so recognized by your committee. The definition that I have given you has been a little bit different from the definition followed by the committee, and is brought out by the gentleman's question in regard to the "cleaning of track" and "removal of snow and ice," where our opinions differ, but in a general way that is the line of division between the four different classes of accounts; and in giving this classification of the operating expenses of steam roads to the United States, the Commission has tried to bring together all of the talent which it could apply to the subject, and then to produce the best possible classification.

The matter of reconciliation, then, is a subject that we can approach now, and I might say there are different methods of reconciliation between these different systems of accounts, and I want to commend your committee again for the manner in which it has started out on this subject. For instance,

your Account No. 1, "Roadway and Track," has been made comprehensive and includes all of the different items which have been stated as sub-accounts, and this is a very long stride, in the direction of reconciliation; because it is not entirely essential, in order to enable any accountant who has both problems to deal with, that he shall make primary accounts of each of these items. They may be made into sub-accounts, and if kept with the same integrity can again be restated without re-working the detail, and this is the flexible feature of the system that has been laid down for the steam roads.

My personal experience with this has been in this way. In order to produce our comparisons with the previous year we were obliged to split 123 accounts into about 244, almost doubling them, and I did not find any particular inconvenience other than reprinting the forms and the instructions for carrying this into effect. In fact, we got really a little better grouping than we had under the previous classification; and whether or not these accounts are grouped in one system in your classification and in another system in the other classification, they can be reconciled very easily and nicely without all being made primary accounts. But the suggestion comes to me in looking this over carefully, that the identity of the primary accounts might well be preserved in the grouping, and in those places where the identity has been lost, I want to take the liberty of calling your attention to them. For instance, the steam classification has the item of tunnels. In discussing this yesterday a gentleman told me he knew of just one tunnel on an electric line in the United States, and of course it is not natural that we should provide for just one single emergency.

MR. SMITH:—In Chicago we have three.

MR. BROCKWAY:—I have one a mile long.

MR. DABNEY:—St. Paul has one.

MR. MALTBY:—One on our line.

MR. BALCH:—There seem to be more than the other gentleman knew of. The item of tunnels has been taken care of by being enumerated in one of the sub-accounts of your "Roadway and Track," but has not been given the conspicuousness of a sub-account of itself, which of course is possible

without impairing in any sense the integrity of your Account No. 1. The same thing applies to injuries to persons. A gentleman in the rear of the room, I believe, last night, called attention to our getting comparisons with the previous year. If we were to take the "Injuries to persons" and give it the dignity of a sub-account under each of the accounts, "Maintenance," "Transportation," "Traffic" and "General," then we could add together those four sub-accounts and produce the total for comparison with the previous year. That is the method that we have been obliged to follow in the steam classification; and to show you how much of an inconvenience it has been generally considered I want to say that in a discussion very recently with the auditor of one of the Western lines out of Chicago, some 7,000 miles and more long, he said the company was not going to make an effort to compare its expenses of this year, under this classification, with its expenses of last year under the previous classification, that is, to make a detailed comparison, — only in a general way, because it considered it practically impossible without undue expense and effort. On the other hand, the Rock Island lines demonstrated that a comparison was possible if they had the liberality of disposition to go toward it and make the effort, for you know, where there's a will there's a way generally. In these different accounts the harmony between the different classifications may be brought about, by a system of sub-accounts. Your committee has made a great stride in this direction, and in Account No. 1, in particular, it is very evident. At the same time, by not giving the "injuries to persons," we will say, as that is a good example, the conspicuousness of a sub-account, you will lose comparisons with the previous year, but this may be readily and easily overcome as I have outlined without changing the nature of your primary account at all.

The other accounts seem to me to harmonize in a large way with the classification we have for steam roads, and yet there are a few omissions in your classification which I would like to mention, merely, for this purpose, that if they are added to your classification, either by the New York Commission or the Interstate Commerce Commission in the future, you will want

to understand a little more of the general principles which are behind those particular accounts, just as I have stated the general principles behind these accounts that we have. In doing that I want to mention accounts 37, 38, 39 and 40. I have shown you that it is following the lead of that thought that while you are removing the snow and ice you are not transporting freight and passengers—and that has been, I believe, the governing influence which caused the gentlemen who framed the steam road classification to place that among the maintenance expenses. The same thing applies to "Clearing and sanding tracks," as they are very much of the same nature. But inasmuch as you have given them the conspicuousness of primary accounts, it will not be at all a difficult matter to harmonize them and to restate the expenses under the other classification.

At the same time I would like to have you understand the governing line between the two classes of expenses. While you are cleaning track and while you are removing snow and ice, you are not producing revenue in that particular act, you are not hauling freight or passengers, and you cannot measure the efficiency of your effort in any sort of results that may be ascertainable, because you may have a great deal of snow and ice to remove and very few passengers to haul on that particular day or that particular month or any period of time, and the transportation expenses really should be measured in efficiency by the results of operation. That is very easily demonstrated in the matter of injuries. You haul so many passengers and you have so many passengers injured per thousand. The census, or the public statistics way of measuring it, is so many injured per thousand carried, and there is a direct relation in a sense between the two. That is, the measure of efficiency is possible.

In the matter of traffic expenses I think your committee has acted very wisely in introducing this subject into your classification not primarily for the street car lines but for interurban lines. I talked with a gentleman the other evening who said he had just built 35 miles of line, standard construction, fully equipped and exactly in detail like a steam

line, except that it was electrically propelled, and for the needs of such a line this heading that you have given is sufficient with such sub-headings as any one may choose to make.

There are three ways of harmonizing these accounts,—first, to give all the primary accounts of the steam railroads the same significance in the electric accounts, with such added as you deemed necessary; the second way would be to group them with such sub-accounts as would enable one to restate them without reworking the detail, and, the third way is the individual effort system or for each man to make his own subdivisions and give each account the conspicuousness which he requires in his records. And if there should be no change whatever in this classification as it stands before you this morning, each individual party may go home and take the item of tunnels and make a sub-account of that account. I believe that is clear, is it not? No one is restricted in these sub-accounts to these very accounts as recommended.

MR. DUFFY:—Merely suggestive.

MR. BALCH:—I did not bring a copy of our steam railroad classification, but under one heading in that, of "engine house expenses," in order to produce the detail we required I was obliged to sub-account that into a, b, c, d, e, f, clear down to 1, in order to make comparisons with the previous year, and the system of sub-accounting is capable of immense expansion. You can adapt it to almost any condition, and, if it comes down to the individual effort, the individual who does put forth that effort can say within himself that it is a matter of pride to go into it a little bit more carefully than his neighbors. I take considerable pride in the effort we put forth on the Rock Island lines. We went into it quite extensively and applied the theory of expansion as fully as any one, and outside of the actual cost of introducing that system (which was probably \$1,500 for stationery, printing and the promulgation of the rules) we did not suffer any great inconvenience.

There is another principal I wish to mention. That is, "Rent of equipment" and "Rent of tracks and terminals."

These it may be found will be modified after you get into consultation with the other parties interested, because the theory has been set forth and adopted that there are different elements in the intercourse of business between company and company. The steam road classification has five accounts provided for what we call "joint operation." There is a debit and credit account in the "maintenance of way," one in the "maintenance of equipment," two in the "transportation" and one in the "general," which provides that the joint operation of the line shall be reported in the first case under the primary accounts of the operating line. Then the amount that is charged or paid by the tenant company shall be entered under these joint accounts as a credit account to the operating company and as a debit account to the tenant company, so that when all these reports are combined in one total, theoretically they should produce the cost of operation under the primary accounts, because the debits of one company will offset the credits of the other company. The study of that subject brings out this too, that in the flat rental rate, where it includes the maintenance, operation and so on, the entire cost includes these different elements, if there are 25 miles of line of one railroad over which a second railroad passes at a flat rate, we will say, of 50 cents a train mile, that 50 cents includes the element of operation, the element of maintenance, and the element of interest on the capital invested in the property, so that the 50 cents per train mile would necessarily be analyzed and divided between the different accounts and a certain amount considered as interest on the capital, a certain amount as "operating" and a certain amount as "maintenance." The electric proposition is somewhat different from the steam road proposition in this respect, that you are able to measure the power purchased and you are able to measure the rent of tracks specifically, far better than the ordinary processes of steam operation permit. But I wanted to give you that thought purely as information on the subject.

Then the matter of rental of equipment is a very important one with the steam lines and probably an unimportant one with you gentlemen, for we know there isn't anything

like the interchange of equipment in your business that there is in the steam road business, but there will be probably, in time, in the interurban business, because these interurban roads are growing every year, becoming more numerous and powerful, and the suggestion comes to me that harmony between these classifications is desirable because if any of you happen to buy out the steam roads, you want to be able to take their statistics and work them into yours with the least possible inconvenience; for of course the electric men all understand that they will operate a great deal cheaper than the steam roads are operating and will want to be able to demonstrate that with the least possible inconvenience.

I shall be glad to add any further remarks that I can, but I believe I have set that before you very clearly, at least have tried to, and I thank you very much for your attention.

PRESIDENT TINGLEY:—We are very glad, Mr. Balch, to have had this statement from you. Gentlemen, the question is now before us of taking up Account No. 1. Now, our time is limited, the subject is important. I would like you to discuss this question for the benefit of your committee and of the association.

MR. SMITH:—Mr. President, I move that Account No. 1 stand as a primary account covering all those sub-accounts, and that individual members subdivide as they see fit. The committee can recommend that these subdivisions be made where feasible but that a man that does not keep all these subdivisions, or that keeps others, is not to be considered out of order.

PRESIDENT TINGLEY:—Mr. Smith, do I understand that your motion is intended to cover distribution of printing and stationery and damages into Account No. 1?

MR. SMITH:—No. I understand that is to come later. I would prefer that was not in there, but what I want to have is this,—I have to keep my accounts as the Comptroller of the city of Chicago says, and I am satisfied that anything that has the support of this association will go. Now, if I have kept an account of "Maintenance—Roadway and Track," and have put into it all the charges that this association says should go under that head, I want to have the

backing of the association in saying that I have followed out its classification, and I will make such subdivisions as we think necessary.

PRESIDENT TINGLEY:—It is moved and seconded that Account No. 1, "Roadway and Track," with the sub-accounts as here suggested, with permission to keep such additional sub-accounts as a company may deem expedient, or to eliminate such of these as a company may deem inexpedient, be approved, with the reservation that the question of printing and stationery and damages are to be discussed when the general accounts come up. (Carried.)

PRESIDENT TINGLEY:—Account No. 2, "Electric Line."

MR. FORSE:—I will make the same motion regarding Account No. 2, Mr. President. (Carried.)

PRESIDENT TINGLEY:—Account No. 3, "Buildings, Fixtures and Grounds."

MR. ROGERS:—I make the same motion in regard to that, Mr. President. (Carried.)

PRESIDENT TINGLEY:—Account No. 4, "Power plant equipment."

MR. DABNEY:—I would like to make a suggestion in reference to that. In these two accounts 4 and 5, in order to assist the harmonizing of the Electric Light Association's standard, I would suggest that we carry 4 and 5 under a sub-head, as is done under "Transportation—Operation of power plants." That would enable us to get at power costs both in maintenance and operation of power plants more easily in combined companies. It would be simply carrying out a total for Accounts 4 and 5 under a sub-head, "Maintenance of power plant equipment" as distinguished from "Maintenance of cars" etc.

PRESIDENT TINGLEY:—If the chair may be permitted to speak on this, I have found that the item of maintenance is more important in the report itself as an integral total, and that the cost of power can be ascertained more readily, because more enters into the cost of power than maintenance of equipment. You have to consider maintenance of your buildings as well.

MR. DABNEY:— Yes, give the maintenance part of it, but it would not change the total of "maintenance." You still have a grand total of "maintenance," and this would simply give a sub-total.

PRESIDENT TINGLEY:— Well, that is simply a question of pen, ink and paper, to draw a line in there and get the subtotal. Is that your notion?

MR. DABNEY:— Also have a sub-head "Maintenance of power plant equipment."

PRESIDENT TINGLEY:— I catch your point. You want to shift Account 5 and make it a sub-head?

MR. DABNEY:— No, just take 4 and 5 and carry those two out as a sub-head under "Maintenance," but also add a title, "Maintenance of power plant equipment" and then follow that with maintenance of other equipment.

MR. DUFFY:— I think, Mr. Dabney, in order to accomplish your wish you will find you will do it somewhat at the expense of the other accounts following there. The idea of the committee was that having one account "Power plant equipment" and another account "Sub-station equipment," you could more clearly state the expenses of the operation of the power plant as well as the maintenance, and the same as to sub-stations.

MR. DABNEY:— I carry the two together.

MR. DUFFY:— Is it not a mere matter of detail arrangement?

MR. DABNEY:— Well, what I want to do is to add those together as a sub-heading, not carry "power plant" into "maintenance," simply to split that "maintenance of equipment" into two sub-heads.

MR. DUFFY:— I understand. You would want an additional sub-head under "Maintenance of equipment," "Maintenance of power plant and sub-station equipment?"

MR. DABNEY:— Yes.

MR. DUFFY:— But it seems to me that is so clearly set forth with 4 and 5 that you have it as it is.

MR. DABNEY:— Well, the other way you could carry out a regular total of those two accounts.

MR. DUFFY:—Isn't that simply the assembling of a few figures?

PRESIDENT TINGLEY:—If the chair may be permitted a word, I think I catch Mr. Dabney's idea. He wants to retain the arrangement here and then insert between 5 and 6 a heading, "Maintenance of other equipment," making another subdivision of the general account.

MR. DABNEY:—This classification is not really as logical as that of the Electric Light Association. It groups all its power costs in such a way that you can get at it very readily. The "Maintenance" here includes maintenance of cars and all other equipment, and I think that is wrong. I think the power plant cost should be separated under a sub-head.

MR. DUFFY:—If you do that, of course, you understand, you then make it impossible to group all the maintenance under one head. You cannot have both.

MR. DABNEY:—You get a grand total.

MR. DUFFY:—No, I beg pardon. If you have power expenses as a heading —

MR. DABNEY:—It was simply to group those two separately under a sub-head. It would not change your grand total under "Maintenance."

MR. PRATT:—I second Mr. Dabney's motion.

MR. HAM:—I would just like to ask Mr. Dabney what he would suggest as the title for the second sub-division? "Other equipment," it seems to me, would be describing as other equipment that which is really the whole of it.

MR. DABNEY:—Yes, exactly. Well, I haven't suggested any title to that.

MR. HAM:—Of course, I see exactly what you suggest, and I think it is a perfectly reasonable thing.

MR. DABNEY:—I thought the committee was trying to harmonize a classification of the two combined companies. I think that would be a little step. You made a change, I think, under "Transportation."

MR. HAM:—In our own reports I call it "Maintenance of power plant equipment" and "Maintenance of car and miscellaneous equipment."

MR. DABNEY:—Under "Transportation" I think you have the heading "Operation of power plants and sub-stations." This, you see, is in line with that same idea.

PRESIDENT TINGLEY:—The motion of Mr. Dabney is, that the sub-head "Maintenance of equipment" be changed and divided, and that Accounts 4 and 5 be grouped under a heading "Maintenance of power plant equipment." Are you ready for the question?

(The motion was carried, ayes, 28; noes, 24.)

MR. PRATT:—I move that we reconsider this motion, Mr. President, which I think I have a right to do, having voted in the affirmative. I fear that there may be some criticism. I notice that a great many Stone & Webster men voted in the affirmative, and perhaps you think we are trying to pack this caucus.

I do not feel at all like having the convention bound by a motion which is a little bit of a snap judgment after all. We have not discussed this very much, and while I am in favor of it, I can see the other side. It may be a little difficult to get that sub-title in there with the proper headings. I should be very glad to have a reconsideration either now or a little later.

MR. DUFFY:—I think Mr. Pratt's idea is probably that the committee can take the sense of this meeting and work something out. He wants to get the idea worked out rather than to commit himself on any specific thing.

MR. PRATT:—That is the idea.

MR. DABNEY:—That was my idea, to get the sense of the meeting on that, not necessarily to commit the association.

MR. HAM:—As I have stated, in my own experience, I do this very thing that is suggested, but I doubt the wisdom of setting up any more grand subdivisions than are necessary. I think to run into unnecessary subdivisions probably only tends to complicate your form of report, and to have a grand subdivision consisting of two items which are really of so little importance compared to the whole as "Maintenance of power plant equipment" would seem to me to be perhaps unnecessary, although the information you get is, of course, very essential.

(The motion to reconsider was carried, and the original question again entertained by the chair.)

MR. SMITH:—It seems to me that that is a very unimportant thing to make a total for. In getting your power cost you have to get insurance and taxes and every other thing, and I do not see why you want a total of just those two things.

MR. PRATT:—It seems to me that it is a very consistent total for us to have. Here in your "Transportation" you have "Operation of power plants and sub-stations." Why shouldn't you have "Maintenance" grouped in the same way?

PRESIDENT TINGLEY:—I agree with you.

MR. PRATT:—The fact that it constitutes only two items should not, I think, be controlling. In some cases it will be made up of a lot of sub-items.

PRESIDENT TINGLEY:—The only thought that is in my mind is the immediate use that is to be made of this report and the wisdom or unwisdom of injecting into it too many questions.

MR. LINN:—Inasmuch as you are trying to reduce the number of accounts why does the committee use two numbers for this item rather than one number, subdivided as a, b, c, etc?

MR. HAM:—Well, we feel that each account here is worthy of the dignity of a main account. That would be all the answer I would give. Of course, there is a practical side to this. What is a primary account for anyway? It seems to me it is because the expenses that properly go into that account are worthy of the dignity of a primary account, and that the data or the information which is obtained after you have set up those separate totals is of value in assisting in the practical operation of the property, to have it readily before you. Now, it seems to me the generating cost is a very important figure by itself, that the sub-station cost, which in a way is a distributing cost, should be an item by itself. That is the way I would reason it out.

MR. LINN:—Well, I quite agree with you that it should be subdivided. For instance, we have peculiar conditions in buying power. We have sub-stations which we operate ourselves

in some instances, not in all. So really without an analysis of the two accounts it doesn't mean anything to our operating heads at all, and the analysis will have to be more than what is set forth here.

MR. EDWARDS:—Perhaps I can throw a little light on the question of the advisability of that subdivision. I believe it is necessary. In the National Electric Light Association schedule we have provided for it. In these large power plants we generate a raw material. In the shape in which the current leaves the power-house it is not fit for use either for transportation or electric light work. The current as it is generated must go to the sub-station and there go through the transforming apparatus, from which it emerges as a commercial product. As I understand in street railway work you mostly operate 500 volt d.c. In any case there must be a transformation of that energy, and the transformation expense is an entirely different expense from the generating expense. All engineers and all power-house operators want to know the cost of electric current on the switch board of their generating plant. Then, after that, they want to know the cost of current as delivered to the system. The expenses are entirely different, and I think it very wise and very necessary that there should be that division.

MR. LINN:—In that connection, electric light properties use a sub-station more as a transportation facility. Why should it not go under "transportation" for comparison? When we get current at fifty, or thirty thousand volts, the sub-station is a part of our transportation of that power.

MR. FORSE:—Don't you run under that current too at your sub-station?

MR. LINN:—Yes.

MR. FORSE:—Then isn't it a part of the production of power for use in the cars?

MR. LINN:—It is done for the purpose of transmission.

MR. FORSE:—Not only transmission, but production also.

MR. DUFFY:—Mr. Linn, the reason it is not under "transportation" is—

MR. LINN:—You misunderstand me. I do not say it should be. I was just taking the general electric light argument in order to get comparisons, that was all.

MR. HAM:—I do not see, myself, any objection to having Account No. 4 contain two grand subdivisions. That is to say, under "Maintenance of equipment" the first account should be No. 4, "Maintenance of power plant equipment;" Account A, "Generating equipment;" Account B, "Sub-station equipment." Then we would accomplish just what Mr. Dabney was trying to get at, that we would have one total which would show cost of maintenance of power station equipment. Of course, I look on the sub-station cost as a part of the manufacturing cost. Unquestionably it is. The current you turn out of your main station is no more a commercial article than a piece of cloth is a suit of clothes. After it goes through the rotaries, then it becomes something that is of commercial use. So it is certainly a part of the manufacturing cost; and if anything is to be done in the direction of Mr. Dabney's thought, I would personally be more in favor of having Account 4 subdivided than to accomplish the same separation in the way that Mr. Dabney suggested.

MR. SMITH:—I think that is the sensible idea. Wouldn't that suit you just as well, Mr. Dabney?

MR. ROGERS:—I personally would prefer that these accounts remain as they are stated in the classification. I would ask the gentlemen how they are going to carry out the suggestion that is made here, that this be a primary account with two sub-heads, where a railway company maintains the sub-station and the electric company in a combined property, the generating station. That is the case with us. Our electric company delivers the current at the power-house switchboard, to the railway. The railway company stands the cost of transformation and maintains and operates the sub-station.

MR. BROCKWAY:—Mr. President, Mr. Edwards just suggested to me, and I think it is owing to his modesty that he does not himself propose it, that if the sub-heading idea prevails, we must go back to buildings and fixtures and have a sub-footing under A and B of Account No. 3.

PRESIDENT TINGLEY:—The motion before the house is Mr. Dabney's motion that a new heading be created, "Maintenance of power plant equipment," with Accounts 4 and 5 grouped thereunder.

(The motion was lost.)

PRESIDENT TINGLEY:— Account No. 4, gentlemen, “Power plant equipment.”

(On motion of Mr. Kayser, Account 4 was approved as recommended.)

(On motion of Mr. Rogers, Account No. 5 was approved.)

PRESIDENT TINGLEY:— Account No. 6, “Passenger, mail, baggage and express cars.”

MR. FORSE:— May I be permitted to say a word about this Account No. 6, Mr. President? I notice that the arrangement here is somewhat the same as that used by the Interstate Commerce Commission in that it groups those cars that are ordinarily carried in passenger trains. Well, in electric railway practice, when we carry express, we carry it on a combination passenger car or else a separate car, and if it is a separate car we may sometimes carry freight on the same car, and it is called a freight and express car. Therefore, I would suggest that express cars be included with freight cars, and that “passenger” include passenger and combination cars.

MR. DUFFY:— I second that, Mr. President, with the understanding, of course, that Mr. Forse is defining an express car, treating it exclusive of the passenger part of it.

MR. FORSE:— Yes.

PRESIDENT TINGLEY:— Mr. Forse moves, and it is seconded, that Account No. 6 be amended to read, “passenger, mail, baggage and combination cars,” and that the express car be eliminated.

(Carried.)

PRESIDENT TINGLEY:— Account No. 7, “Freight cars.”

MR. FORSE:— I move that that account be stated as “Freight and express cars.” (Carried.)

PRESIDENT TINGLEY:— Account No. 8, “Electrical car equipment.”

MR. SMITH:— How about work cars in there, Mr. Balch? Do they belong in the maintenance of equipment, or do you think they ought to go over in the maintenance of way?

MR. BALCH:— I do not know that I ought to express my own opinion about it. I simply expressed what was the plan and theory laid down in the steam road classification. I know that “cars” is the governing principle, and Account 105

is the account which would really throw light on the subject which you consider in Account No. 9.. As I said, the line laid down in the steam road classification, if you will examine it carefully, is that the equipment included in the "maintenance of equipment" account is all revenue equipment. There are steam locomotives, electric locomotives, passenger train cars, freight train cars and electric equipment of cars, which does not include the electric equipment of work cars. There probably would not be any on a steam line. But the idea underlying that classification is that it is revenue-producing property. I might have stated a little more clearly than I did that as a general principle you want credit in your maintenance accounts for every dollar that you have spent in maintenance. The public always views with approval the maintenance of a property at a high standard of efficiency, and any account that you can properly put into the maintenance will, I believe, reflect credit on you rather than provoke criticism of your judgment in so doing. That is a personal conviction only. This is a direct departure from the old steam classification, you remember.

PRESIDENT TINGLEY:—I would like to call the attention of the convention to one phase of that question, somewhat in answer to Mr. Balch, that the motive power of the steam road is the locomotive. It is a fair sized object and it can be labeled and numbered and kept tab on very freely. The electric equipment of an electric road is a comparatively small object, is carried under the trucks near the ground, is covered with grease, dust and dirt, it is pretty hard to keep a number on it that can identify it, and on the smaller roads it is used on the snow-plow in winter time and on the sand car in summer time, and when you get pressed with a rush of business, you jack your cars up again and put it under some old box or open cars to rush the crowd out, and it would be an exceedingly difficult matter to determine what service that motor was in.

MR. BALCH:—That is in regard to the electrical equipment of work cars, but the work cars are distinguished.

MR. DUFFY:—We are discussing Account No. 8 now.

PRESIDENT TINGLEY:—Yes,

MR. LINN:— To determine the cost per car-mile, Accounts 6, 7 and 8, you would have to use a different mileage, would you not? The point is this, you divide the car body and trucks but do not divide the electrical equipment maintenance. We use our construction motors that are not in use in winter under our snow-plows, and the snow-plow equipment under open cars in the summer. I went over this classification as much as I could last night. I did not note any provision for the charging of the cost of that transfer. I mention it now because we have this equipment up.

MR. SMITH:— It is on page 11 of the printed report.

MR. DUFFY:— In the text.

MR. LINN:— You say it should be charged to what account?

MR. HAM:— Should be charged to Account 9.

MR. LINN:— You run the equipment under open cars all summer, but when you repair it and put it under a sand car in winter, you charge that to No. 8—is that right? I think it should be charged to the equipment account. When you take them out from under the snow-plow, after having run all winter, and repair them and put them in order and put them in your passenger service, why isn't the snow account the proper charge for that?

MR. DUFFY:— You get into more refinement there and create complications, just as Mr. Tingley outlined, by the shifting of the service. We thought it better to combine it in the one account.

MR. LINN:— I see.

MR. HENRY:— I think as a matter of classification it should stand as it is. If any of the gentlemen desire to keep the maintenance of their electrical equipment of work cars and snow cars separately, and can do so, there is nothing to prevent making a subdivision, even if he has to treat those subdivisions arbitrarily.

MR. LINN:— That is very true, but what good are our comparisons to the company?

MR. HENRY:— This is a classification to take care of the condition that will exist in the majority of cases.

MR. SMITH:— They would all be likely to have it under No. 8 anyway, even if they did subdivide it. Your No. 8 would compare with their No. 8.

MR. HENRY:— It would be very difficult to draw a classification defining the distinctions spoken of.

MR. HAM:— I think there is a very important thought and principle involved in this discussion, and I would like to say to Mr. Linn that it seems to me it is perfectly proper to say that there shall be one account which will contain all of the maintenance of the electrical car equipment, for whatever purpose that may be used. It would be equally proper to divide that and say that that portion which is for passenger, mail and combination cars should be charged to passenger car service, and that the maintenance of freight car electrical equipment should be charged to freight car service, and that the equipment for work cars should be charged to work car service. That would be the first refinement, the first division, of Account 8, if you are going into that analysis. Now, the next step with work car equipment would be to adopt the principle which has been adopted by the Interstate Commerce Commission, that the account benefited by the use of that work car equipment shall be charged with all the expenses of maintaining that equipment, and therefore you would get it back into the maintenance of your track, maintenance of your electric line, removal of snow and ice and your miscellaneous general expenses, like automobiles, etc. You would divide it to that extent. So it seems to me it is simply a matter, not of correct accounting because either is equally correct, but of the principle which you wish to follow. That is to say, in which way do you get the most information and which way do you prefer to have it? That is all. Either one is correct, and just as correct as the other. It is simply a question to what extent you wish to carry this refinement.

MR. BALCH:— I should qualify what I said, Mr. President. He said "work equipment," and that put Account No. 9 into my head immediately. I got off the point. In the steam road classification provision has been made for this in an account, "Electrical equipment of cars." It makes no exception for the work equipment. Simply says "cars."

(On motion, Account No. 8 was approved.)

PRESIDENT TINGLEY:— Account No. 9, "Miscellaneous equipment."

MR. DUFFY:—In relation to what Mr. Balch said about the assignment under “Maintenance of way and structures” of the work car equipment, I would like to direct his attention to the electric practice in the matter of work car equipment. It is used for a variety of purposes, and it would be unfair to “Maintenance of way and structures” in electric practice as now carried on, and an undue advantage to the other accounts receiving the benefit of the use of that work car equipment, to charge it all under “Way and structures,” and that is the reason why it is given this treatment in this classification.

MR. ROOT:—Mr. President, I would like to raise the question whether in view of the fact that the electric locomotive would be called a revenue-producing equipment, that should not perhaps justify its having a separate division from these others, which are work equipment, and in view also of the probability that the electric locomotive will become very much more important in the future than it has been thus far. It would enable the classification of revenue-producing equipment to be made much more easily if that were given a separate division.

MR. DUFFY:—If the electric locomotive is used in the same way as the steam locomotive is used in steam practice, it would be treated as revenue-producing equipment but there are a number of companies that use electric locomotives for the purpose of switching cars and hauling material that is not revenue-producing. There are two kinds of electric locomotives.

MR. ROOT:—That would perhaps justify making a separate division for the revenue-producing locomotive, throwing the other in with work cars, just as you do regular equipment.

MR. HAM:—I would like to ask if there are at present revenue-producing electric locomotives in use?

MR. SLOCUM:—Yes, we have two.

MR. DABNEY:—We also use them.

MR. DUFFY:—May I ask Mr. Root a question. Is it your idea, Mr. Root, that the electric locomotive operated for the purpose of revenue be treated practically like the electric motor car operated in the same way?

MR. ROOT:—Throughout, yes.

MR. DUFFY:—I think we can take advantage of that fact. We are much obliged for the suggestion.

PRESIDENT TINGLEY:—Is it necessary to put any formal motion or can that be left to the committee to shape up, with the understanding that it is to provide for the electric locomotive producing revenue? If there is no objection we will consider this account as being approved with that suggestion to the committee, that it provide an account for the revenue-producing electric locomotive.

MR. DUFFY:—Or such instruction as will identify the treatment of the operation of it.

PRESIDENT TINGLEY:—Are you ready for the question? (Carried.)

PRESIDENT TINGLEY:—Account No. 10, “Miscellaneous shop expenses.”

MR. KAYSER:—It seems to me that account should be treated as a clearing account or apportionment account, the same as the stores and stable accounts are treated. The shop is not operated for revenue but simply as an incidental affair in connection with the operation of cars, etc., and it is used instead of hiring work done at an outside shop, the same as a stable is maintained instead of hiring outside teams or trucks, the same as stores expenses are created instead of buying at retail and paying more money. For that reason I think this account should be an apportionment account and should be cleared monthly or periodically on the same lines, either by department expense charges or on the basis of the amount of work done for the different maintenance or other accounts affected. I would make that as a motion, that we transfer it from operating expenses and treat it as an apportionment account.

MR. BALCH:—Mr. Kayser is broaching a principle that has been laid down in the steam classification, but it does not refer to maintenance, Mr. Kayser. Maintenance is a matter of property. The operation of the shop, that is, the cost of fuel, lights, oil and all that, and the labor of operating the steam engines, is put into a clearing account in the steam classification and treated similarly to the recommendations regarding your stores account.

MR. KAYSER:—I might say for your information that this account in the electric classification includes not only maintenance but operation charges, and the operation charges there are treated as a clearing account.

MR. BALCH:—Sure. Well, the step, it seems to me, if you take up the idea that is presented in the steam classification, would be to make a separation of the account rather than to treat it as a whole, as Mr. Kayser has suggested. There is, however, a good suggestion there, I believe, except that the line is not clearly drawn between maintenance and operation in that particular case.

PRESIDENT TINGLEY:—I think if Mr. Kayser will read the text applying to Account 10, he will find that the clearing idea is therein provided.

MR. HAM:—No, I beg to differ from the president on this matter. This of course is not a new matter to the committee, and one member of the committee, Mr. Wilson of Boston, is very much in favor of its being treated as an apportionment account. The majority of the committee thought that in the interest primarily of simplicity and of facilitating accounting it better be left as it is. That is one of the points on which we particularly desire an expression of opinion from the association. I might say with reference to the treatment which has been given it by the Interstate Commerce Commission, that I think it has either gone too far or it has not gone far enough. Either the total of shop expenses, which includes the maintenance of the shop tools, should be treated as an apportionment account, or none of it. There is no rhyme or reason, in my judgment, in apportioning a part of the shop expenses and failing to apportion another part of the same expenses, which is what has been done. This can be accomplished. It is exactly as I said to Mr. Linn, in answer to his question; it can be done in either way. It is just a matter of which you want and by which method of treatment you get the most information and the most knowledge. I consider that it is entirely proper and correct accounting to assign one account which shall cover miscellaneous shop expenses. I consider it equally correct accounting to charge all of those shop expenses out to whatever account is benefited. It is just

a difference in the method of treatment, and that is what we would like to have fully discussed, to see whether you think that all companies should be instructed to go to the trouble and expense of apportioning this, and considering, also, that in some companies, smaller companies, especially, they scarcely know what that means, to apportion everything over all the work done, in proportion to the amount done.

MR. BALCH:— May I say just another word there, Mr. President? The thought should be brought out, I think, here, if it were apportioned where would it go to. If it be made an apportionment account, the clearing expenses of a shop, would be apportioned to the accounts benefited. If that shop is a shop for the repair of cars, it goes to the repair of cars, and it still remains in the next account to this in your "Maintenance of equipment" account. It is only that portion which is devoted to, we will say, repairs of track tools, or little odds and ends that will come in from the maintenance department, the manufacture of irons for some building or something of that nature, which really gets out of one general class into some other general class. This was more important in the steam classification for the reason that it puts the work equipment over in "Maintenance of way," and necessarily there will be quite a portion of the expense of shops which goes over into the "Maintenance of way" accounts. The relation and importance of it in your classification is diminished just in proportion to the fact that this maintenance of work equipment is left in the "Maintenance of equipment" accounts.

MR. SMITH:— It seems to me that you can get down too fine on these things. If I send my chair over to the shop and get some new rollers put on it, really, to get the exact cost of the repairs to that chair, you have to charge in interest on the plant; taxes and insurance and all that sort of thing. If you want to get it down fine, why, do it. I think this account is broad enough just as it is. I move that Account No. 10 be approved.

(Carried.)

PRESIDENT TINGLEY:—"Transportation: Operation of power plants and sub-stations," Accounts 11 to 17 do not

vary from our existing classification. What is the pleasure of the convention?

MR. SMITH:—I move that Accounts 11 to 17 be approved.
(Carried.)

PRESIDENT TINGLEY:—“Operation of cars” Accounts Nos. 19 to 22, inclusive.

MR. FORSE:—“Wages of freight conductors,” Account No. 20, here—could that be more specifically stated, “and express,” or do you think it is well enough understood to leave it as it is?

MR. DUFFY:—Wouldn’t the instructions in the text cover it?

MR. SMITH:—Suppose you had one man running a mixed train, freight and express,—what are you going to do, subdivide his wages?

MR. LINN:—Suppose you have an express messenger instead of a conductor, then what?

MR. SMITH:—In addition to a conductor?

MR. LINN:—No.

MR. DABNEY:—Change the name.

MR. HENRY:—I would say in answer to Mr. Linn’s question that the purposes for which the car is operated should regulate that charge. The extra messenger is there as an addition.

MR. LINN:—Where is provision made for charging an express messenger in this classification?

MR. BROCKWAY:—Account 23. Wages of miscellaneous car service employes.

MR. HENRY:—Your conductor and motorman operating a combination car is what I was covering.

MR. LINN:—Well, we don’t operate any combination car.

MR. HENRY:—Some do.

MR. LINN:—I was asking for my own information.

MR. DUFFY:—I think Mr. Linn’s point is a very good one. There are no instructions that say anything about conductors or motormen operating express cars, and the question came up in connection with Mr. Forse’s point on the maintenance of the car. Now, I would like to ask both Mr. Forse and Mr. Linn if they would think that Accounts 20 and 22 should be

changed in title, and made "Wages of freight conductors" and "Wages of freight motormen," and then have the instructions cover the operation of that express car.

MR. LINN:—With this one change,—we are not allowed to handle freight in New York City. We cannot handle express.

MR. FORSE:—Let the title remain as it is, with the explanation in the text that it includes freight and express, which would be comprehensive enough to cover all.

MR. GREGORY:—We have one line where we operate freight. We have a conductor,—or rather,—a foreman, a motorman and two brakemen. Now, where would those brakemen be put under this classification?

MR. SMITH:—Twenty-three.

MR. GREGORY:—That is an exclusive freight line, and it doesn't seem that Account 23 would take in all of those men.

MR. SMITH:—They are "Other car service employes."

MR. DUFFY:—It doesn't belong there.

PRESIDENT TINGLEY:—The chair's personal opinion is they belong in Account 20.

MR. DUFFY:—Twenty and twenty-two.

MR. GREGORY:—Might enlarge the instructions to the committee.

MR. FORSE:—One reason why I think they are not included under 22 is that where we have wages of motormen standing out as a separate quantity, we can more easily check our car mileage.

PRESIDENT TINGLEY:—That is the reason why I suggested 20 rather than 22. You preserve your motor car hour check by differentiating the motormen entirely, and the balance of the account can very readily carry the wages of the train crew, the other help on the car, being analogous to the situation which Mr. Duffy has, where cars are run in trains with one motorman but two or three platform men.

Are we going to consider the first 24 accounts en bloc, or shall we pass 18, about which I think there will arise no discussion, and then take up 19, 20, 21 and 22 together?

MR. HAM:—I move the approval of Account No. 18.
(Carried.)

MR. HAM:—Now, to bring the matter before the convention, I move the approval of Accounts 19, 20, 21 and 22.

MR. DUFFY:—Before that motion is put, as one of the committee, I would like to say that in the original classification in 1897, we debated for some time whether we would have one account, "Wages of conductors and motormen," or whether we would have two accounts, "Wages of conductors," and "Wages of motormen," and as you know, we decided that the latter was the better arrangement. At that time the trail car situation in city practice was a very important factor. It is quite an important factor with some roads to-day, notably the road that I represent. We operate a motor car and behind it pull three interurban cars, but this introduction of "Wages of freight conductors" and "Wages of freight motormen" was designed to take care particularly of interurban operation, and we took advantage of the suggestions offered to us by the classification of the Interurban Committee. Now, I believe that these accounts are too restrictive, and I would like the convention to consider this question, whether or not it would not be well to have one account, "Wages of passenger trainmen," if you choose to call it that,—that is a matter of verbiage,—and "Wages of freight and express trainmen." In other words, to have two accounts, one that would stand for the operation of the passenger business and the other for the operation of business other than passenger, but group the classes of men under one account, subdivided as may be necessary and desirable, of course. That principle was laid down at the start. I do not make it as a motion, simply as a suggestion to get the thought of the convention for the benefit of the committee.

MR. ROGERS:—I believe what we are all after is to get a freight and express classification so broad as to cover all the expense in that connection, and it seems to me that we should have an account in here, either as a subdivision or as a primary account, covering wages of other employes in freight and passenger business. To that end I think Accounts 19, 20 and 21 should be approved, with a change in the wording making 19 and 20 wages of freight and express conductors, No. 22 "Wages of freight and express motor-

men," and an additional account "Wages of other freight and express employes." That might be termed a "Miscellaneous expense account, freight and express," including the wages of other employes and other expenses in connection with the handling of freight and express.

MR. SMITH:—It seems to me one primary account in there would cover the wages of these trainmen, and that could be subdivided as people saw fit. Let us get the numbers down, of the primary accounts.

MR. FORSE:—I think that suggestion is an excellent one, Mr. President, because in different sections we have different ways of operating freight. For instance, one company will run an express service carried on passenger cars or combination cars, while another operates a purely freight proposition with freight cars, and so on; so I believe the suggestion that the two classes be separated and that subdivision be made as necessary, is a good one.

MR. BALCH:—May I speak for a moment on the possibilities of that subdivision? In the steam road classification we had one account "Road trainmen," which included them all. In the Rock Island classification, which I told you was subdivided extensively, we had "Passenger trainmen: 1st, regular time; 2nd, overtime;" then "Freight trainmen: 1st, regular time; 2nd, overtime." Thus we had four sub-accounts out of the one primary account and we had our passenger and freight business separate, and we were able to determine the expense of overtime as well. I think that is carrying it to a fine subdivision. As you are allowed that liberty you can subdivide it just as fully as you wish.

MR. DUFFY:—May I ask Mr. Balch if he will, for the benefit of the convention, state how these four accounts referred to here are stated in the Interstate Commerce classification?

MR. BALCH:—They are stated as "Road trainmen," covering all but the motormen. There is a heading separate for the motorman. Do you wish me to read the text?

MR. DUFFY:—No, just giving the idea as to this thought about the separation between passenger and freight.

MR. BALCH:—Well, the separation between passenger and freight is a very large subject, as you all know, and has had

a great deal of time and attention spent on it. The National Association of Railroad Commissioners are worrying their brains pretty seriously over this very situation. Last year, as auditor of disbursements of the Rock Island, I set up our expenses showing a theoretical division between passenger and freight by four different formulas to satisfy the different states, which I state to you just as an illustration of the diversity of opinion that is expressed upon it. The Association of American Railway Accounting Officers has practically given up the prospect of accomplishing a correct division between passenger and freight, and so it is laid down in the classification here as "road trainmen" and "motormen." The motormen account is given to provide the steam railroads that are operating a portion of the line electrically a means of classifying it in this way, and whatever further subdivisions they wish to make for their own convenience are permissible.

MR. FORSE:—I wish to offer an amendment, that it be made to read that the four accounts shall be accepted as stated, except that passenger trainmen be grouped in one account and freight trainmen in another, with what subdivision may be necessary according to that arrangement. What I am trying to get at is that passenger trainmen shall be all in one account, to include motormen; that freight trainmen shall all be in one account, including motormen; then conductors, motormen, messengers, handlers and checkers can be separated as necessary.

PRESIDENT TINGLEY:—Then the motion of Mr. Forse is that Accounts Nos. 19 and 21 be consolidated under the title of "Passenger trainmen;" that Accounts Nos. 20 and 22 be consolidated under "Wages of freight and express trainmen," with such subdivisions as the individual company may deem expedient.

MR. LINN:—Don't you think it would be well if the committee would adopt the A, B, C, subdivision arrangement of that account, which is just as important as some others in which they have it subdivided?

MR. HAM:—I should dislike very much to have that amendment prevail, Mr. President. The wages of the motorman and conductor constitute approximately 50 per cent.

of the operating expenses of an electric railroad. The only possible subdivision is of conductors and motormen; and in view of the fact that the rate of pay varies in a great many cities, the motormen getting a different rate of pay from that of the conductors, I feel that it is highly essential that we keep a primary account showing the wages of conductors, and another one, the wages of motormen. I think it is a figure that we use in a great many ways, and that owing to its magnitude in proportion to the total operating expenses, if there is anything that justifies a primary account it is those two items. I would much prefer that there should be four accounts, as now exist, or that there be three accounts, if that satisfies the requirements of interurban companies, one, the wages of passenger conductors, one the wages of passenger motormen and one the wages of freight train employes, although I am perfectly satisfied to have the four accounts, one, freight train motormen, and one, a fourth account, the wages of freight train conductors, messengers and whatever other employes go with that class of business.

MR. BALCH:—May I emphasize what Mr. Ham has said, in just this sense,—in a broad way you want to preserve your comparisons wherever you can without inconvenience: It is to everybody's interest, not only the accountant's interest but the public interest and that of your superior officers, and the suggestion that he has made, that this is of prime importance, should almost outweigh everything else, I believe. In the suggestion that he made in the last wording, that it be changed from "freight conductors and motormen" to "freight train employes," inasmuch as the freight business is the small end really of what you are considering; you would really provide for comparisons and preserve them in that manner and give the conspicuousness to the account that it deserves.

And at the same time you would preserve, from my standpoint, harmony with what we have already laid down in the steam classification.

PRESIDENT TINGLEY:—Mr. Ham withdraws his original motion and accepts Mr. Forse's motion as his, that Accounts 19, 20, 21 and 22 be approved subject to such revision as the

committee may make in the light of this discussion. (Carried.)

Title of Accounts as originally reported:

Account No. 19. Wages of Passenger Conductors.

" No. 20.	" Freight Conductors.
" No. 21.	" Passenger Motormen.
" No. 22.	" Freight Motormen.

As revised:

Account No. 19. Wages of Passenger Motormen.

" No. 20.	" " Conductors.
" No. 21.	" Freight and Express Motormen.
" No. 22.	" " Conductors and Trainmen.

PRESIDENT TINGLEY:— Account 23, “Wages of miscellaneous car service employes;” Account 24, Wages of car house employes.” I believe there is no change in those accounts, Mr. Chairman.

MR. HAM:— That is right.

MR. SMITH:— I move that Accounts 23, 24, 25 and 26 be approved as printed.

MR. GREGORY:— In view of this change of the freight employes, the committee would understand that this approval would mean that everything taken out and put in the other account would be left out of the provision in this Account 23, 24, 25 and 26. You see it is provided in Account 23 that the trolley men shall go in that account. In this rearrangement by showing the freight trainmen separately, they would go in under that sub-division of that account. Is that the understanding?

MR. HAM:— I understand that Account 20 embraces the wages of all freight train employes outside of the motormen, and of course, by “freight” I mean freight and express train. That is to say, if a man is employed in the actual running of a freight train, in whatever capacity outside of that of motorman, his time would be charged to Account 20. If he is not on the car itself, if he is not engaged in the actual operation of the car, then his time would not be charged to that account.

MR. LINN:— Is Account No. 26, Miscellaneous Car House Expenses, important enough to give it a special number?

MR. FORSE:— We have that in all the other general headings, Mr. Linn. That is a sort of dumping ground for what we cannot put anywhere else.

PRESIDENT TINGLEY:— It is a little different from "Car service supplies," I think. It is the heating and care of your car house.

MR. LINN:— I wish the committee would go over the question of providing letters for fuel, for heating cars and perhaps for some other items in Account No. 25. It is quite an item with us. We use hot water heaters on the cars, not electricity.

(The President put the question on the adoption of Mr. Smith's motion, to approve Accounts 23, 24, 25 and 26 as printed, and it was determined in the affirmative.)

PRESIDENT TINGLEY:— Account No. 27, "Tickets and transfers."

MR. FORSE:— I think that, Mr. President, should be amplified just a little bit. I find no provision here for baggage checks. Don't you think they are in line with tickets and transfers and that they might be properly included in this account?

MR. DUFFY:— How do you treat them, Mr. Forse?

MR. FORSE:— We are charging them in "Transportation expenses, miscellaneous." We have no separate account for it in the present classification.

MR. DUFFY:— The baggage check seems to stand for the same thing for baggage, that the ticket does for passengers, doesn't it?

MR. FORSE:— That is my idea.

MR. DUFFY:— As one of the committee I am very heartily in sympathy with the baggage check, and we can hitch that on to the text. If that meets with the approval of the rest of the committee I think we can dispose of "Tickets and transfers."

PRESIDENT TINGLEY:— The question is on the approval of Account No. 27, with the addition of "baggage checks." (Carried.)

Account No. 29, "Miscellaneous car service expenses."

(On motion of Mr. Ham, this account was approved.)

PRESIDENT TINGLEY:— Account No. 30, “Wages of station employes,” Account No. 31, “Miscellaneous station expenses.”

MR. ROOT:— I will move, Mr. President, that some provision be made for classifying freight and express business. There is apt to be, with any development of freight and express business an addition of some other employes in a capacity for which I see no provision there. Account 30 is restricted solely to freight and express business.

MR. DUFFY:— That is a very good suggestion.

MR. DABNEY:— I would like to ask if Account 30, “Wages of station employes,” covers simply station employes, or does it take in ticket stations?

PRESIDENT TINGLEY:— It is intended, as I understand it, to cover all employes.

MR. DABNEY:— It seems to me that should be elaborated a little perhaps, to explain.

PRESIDENT TINGLEY:— That was Mr. Root’s suggestion, that provision be made in there to differentiate between passenger and freight employes.

MR. SWIFT:— I was going to say that it is almost impossible to accurately separate freight from passenger employes when at many stations you have only one employe.

MR. SMITH:— Where the baggageman goes out and lights the switch lamps and tends to this, that, and the other thing.

MR. SWIFT:— And there isn’t much use in separating your larger stations if you cannot carry that right through.

MR. SMITH:— You will be sorry some time that you tried to separate these things between freight and passenger. The chickens always come home to roost.

PRESIDENT TINGLEY:— I believe our steam brethren have found that out.

MR. HENRY:— It would seem to me, as a member of the committee, that it would be a good deal better as a classification proposition simply to amplify the text and leave the question of subdivision to the individual members.

PRESIDENT TINGLEY:— That is as I understand the situation, not that the account shall be subdivided, but that the text shall be amplified to cover the conditions.

MR. HENRY:—I think that should go in with this text. Any suggestion made to amplify the text will always be gladly received by the committee.

PRESIDENT TINGLEY:—The question before the house is the approval of Accounts 30 and 31. (Carried.)

MR. FORSE:—I move that Accounts 32 and 33 be accepted as stated in the classification. (Carried.)

PRESIDENT TINGLEY:—Account 34, “Dining, buffet, parlor and sleeping car service.”

(On motion of Mr. Swift, approved.)

PRESIDENT TINGLEY:—Account No. 35, “Loss and damage,” a new account.

MR. BROCKWAY:—May I call your attention to Account No. 34, which I have just discovered covers the rental of cars used for the service? Does that conflict with the hired equipment account?

PRESIDENT TINGLEY:—How does the steam classification cover that?

MR. BALCH:—There is one element in here I did not mention when I opened my discussion, and that was that the Interstate Commerce Commission has put forth this theory, that the accounts should state cost of the transportation of that property which moves at the tariff rate in the published tariffs of the company, and that all those things for which specified arbitraries are charged, shall be considered in a separate class, as “outside operations.” Under that title this Account No. 34 is placed in the same class as your electric lighting business. It is considered a separate business from the transportation business, inasmuch as a specific arbitrary would be charged, put it in the published tariff as a matter of transportation, which could hardly be possible or natural as we view the point now. That puts this in a class by itself, entirely different from all the items in your classification; and that theory has been laid down and promulgated through the country with regard to the handling of sleeping cars, parlor cars, dining cars, buffet cars and composite cars that are operated by all the steam roads, and we are now engaged in an effort to formulate a system of rules for that. That has

not been completed, so I do not know that it is necessary to act on it specifically to-day, because it will come in naturally with that classification of items. I am merely stating that to you as information on the subject, because when it does come out, you will understand then, that that is the reason it is put in that class, because there is a specific arbitrary charged for the service rendered.

MR. FORSE:—I will make a motion that the rental of cars be stricken out of this text, as suggested by Mr. Brockway.

MR. DUFFY:—Where would you put it? Under “rented equipment?”

MR. FORSE:—I suggest that it merely be stricken out from the text.

MR. BROCKWAY:—I second the motion.

PRESIDENT TINGLEY:—It is moved and seconded that the words “rental of cars used for this service” be stricken out of Account No. 34, and inserted in Account No. 39.

MR. HAM:—I would like to suggest an alternative, which is that it be included under Account No. 34, and then that there be an explanation under Account No. 39. If your effort is to ascertain the cost of your dining, buffet, parlor and sleeping car service, I should think it would be better to try to get it as an entirety rather than to exclude so important an item as rental of the car itself.

MR. FORSE:—I think the result would be secured by making it a sub-division under “hired equipment.”

MR. HAM:—Yes, if you want it there. Just an alternative. It makes no difference to me.

(Mr. Force's motion to strike out was carried.)

MR. LINN:—Mr. President, what becomes of the profits or deficit for serving the people on those cars?

MR. FORSE:—The receipts go under gross receipts, don't they?

MR. LINN:—Do you plan to take care of that service in this catering portion? Do you plan to put that into that account?

MR. HAM:—I will admit frankly as far as I am concerned that I didn't give that any consideration at all, as to the detail working out of this thing. It was not considered by me as

a member of the committee. I cannot speak for the other members.

MR. DUFFY:—I think that is the position of all the other members of the committee.

MR. FORSE:—I have one suggestion, that is, that this might in some cases be considered under the head of outside operations — there is a broad question involved in this account, whether it should be considered as an outside operation and entirely separate and distinct from our operating expenses. If we handle it as an outside operation we will credit it with all the receipts and debit it with all the supplies and expense of every description. I believe if we are going to include this as an expense it must include the cost of the commissary supplies as well as the wages in connection therewith.

PRESIDENT TINGLEY:—I would say, gentlemen, in the interest of saving time, that this question is out of order. The motion has prevailed. If you want to reconsider, all right. The chair has no objection. The account before the house now is No. 35, "Loss and damage."

(On motion of Mr. Swift, this account was approved.)

T PRESIDENT TINGLEY:—Accounts 37 and 38, "Clearing roadway, cleaning and sanding tracks" and "Removal of snow and ice from tracks."

MR. FORSE:—That is one subject that Mr. Balch touched upon, that the cost of maintaining should also include the cost of preparing the track for operation; in other words, the two are identical and should be considered as one subject, and I see no reason why this should not be placed under the head of "Maintenance" rather than under the head of "Transportation." We must remove snow and ice and weeds just as we have to resurface our ballast, and it is all part of the maintaining of the track. I do not believe this is the proper place for it.

PRESIDENT TINGLEY:—That is a subject on which the chair has very strong personal convictions, and I would like to ask Mr. Forse if, after he has removed the ice and snow his track and roadbed are physically any better than they were before, if he has added one penny to the value of his property?

MR. LINN:—Weeds would add.

MR. HAM:—I would like to ask Mr. Forse this question,—you grease a curve, in what does that differ from oiling aurnal box?

MR. FORSE:—That is a hard one.

MR. HAM:—Now, then, if to put oil on your bearings is maintain it in the sense of repairing or renewing it, then grease a curve is to repair and maintain your track. They e exactly the same thing, and it seems to me that this disission is simply an outgrowth of previous practice. It sed to be treated as maintenance and is still being so eated, but I cannot for the life of me see why going out and rinkling the track to keep the dust down, a city track, I n speaking of, or to grease a curve or anything of that kind, ntaintaining property.

MR. LINN:—I would like to ask Mr. Ham a question. Is the intent of the committee that the cutting of grass and eeds along the private right of way, which is done by the ction men, should be included here? If it is, it is going to a hard thing for the section men to separate their work. ost of the removing of weeds from the roadway is in connection with the maintaining of track and is done at the same ne.

MR. HAM:—I think, Mr. Linn, there is a great deal to be id in favor of such an item as clearing of weeds being the intaining of roadbed. I may be entirely wrong, but to mind there is a very clear distinction between that and removing of snow and ice or the greasing of a curve.

MR. FORSE:—The weed question is the particular difficulty ee in the way of accepting these items as they stand. We intain our buildings and the grounds about them, have nice ns, and charge that to maintenance, and why should we charge the removal of weeds along the roadway?

PRESIDENT TINGLEY:—I think that point is very well taken, —cause, furthermore, if you permit your right of way to be overgrown with grass and weeds you are holding moisture in there, and that damages your ties. That is a point the chair considers very well taken.

MR. SMITH:—I move that the words “and removing dirt and weeds from” be eliminated from this text,—be put under No. 1; and it seems to me that “trimming lawns” should go into Account No. 1 along with it. (Carried.)

PRESIDENT TINGLEY:—Gentlemen, we now revert to the original motion for the approval of Accounts 37 and 38 as amended. (Carried.)

PRESIDENT TINGLEY:—Account No. 39, “Rent of equipment.”

—(On motion approved.)

(On motion Accounts 41, 42 and 43, under “Traffic” were likewise approved.)

MR. LINN:—I would like to know the committee’s reason for separating Accounts 41 and 42.

MR. HAM:—Mr. Forse is the cause.

MR. FORSE:—I believe it is stated in the text that one is salaries and the other is expense, and if we have any traffic expense the large part of it is salaries, and there is quite a good deal of expense too; if we have this general heading at all I think we ought to have some explanation under it, and three accounts, it seems to me, are few enough to take care of it. The steam roads have seen fit to have several more than that, and I think three are not too many if we use this general heading.

MR. LINN:—Account 43 states that the net loss from operation of parks is to be charged to this account. Assuming that there is a profit, why should not that be applicable to Accounts Nos. 41 and 42 so far as it would go?

MR. HAM:—Nos. 41 and 42 have nothing to do with No. 43. Of course, the results of their efforts are presumably apparent all over the proposition.

MR. LINN:—Under your heading here, “Traffic,” you have Nos. 41 to 43.

MR. HAM:—I know, but the expenses under Account 43 are specific, it seems to me.

PRESIDENT TINGLEY:—If you had a profit from your park, would that be credited to Account 43?

MR. HAM:—No.

MR. DUFFY:—“Miscellaneous.”

PRESIDENT TINGLEY:— Is it your pleasure that Accounts 41 to 43 stand approved?

(On a vote, these accounts were again approved.)

PRESIDENT TINGLEY:— Accounts Nos. 44 and 45, “Salaries of general officers” and “Salaries of general office clerks.” (Approved.)

PRESIDENT TINGLEY:— Account No. 46, “Printing and stationery — general,” which would also carry with it the discussion of the application of “printing and stationery” in the previous accounts.

MR. DUFFY:— I would like to pass on Accounts 47, 48 and 49 first, and then go back to stationery.

(On motion of Mr. Duffy, Accounts 47, 48 and 49 were approved.)

MR. SWIFT:— I move that Account 46 be approved.

MR. SMITH:— I move to amend so that the cost of all printing except tickets, transfers and baggage checks and time-tables and advertising, be included in that account, with certain subdivisions.

MR. ALLEN:— How about the printing of bonds?

PRESIDENT TINGLEY:— The printing of bonds, I would think, ordinarily, would be charged in Account O, “Construction.”

MR. ALLEN:— I did not know but that when you said “all other” you meant to include the printing of bonds.

MR. FORSE:— Do I understand that Mr. Smith would have no separate items under Account No. 46, “Printing and stationery” except “Tickets and Transfers”?

MR. SMITH:— “Tickets, transfers and time-tables.”

MR. FORSE:— How about your station accounts?

MR. LINN:— He wants it all in one account.

MR. FORSE:— I disagree with Mr. Smith on that, because as interurban properties extend, the stations increase in number and this item of printing and stationery for station use becomes quite a large one. For instance, we have about 65 stations, and every one of those has to have a full set of freight and express blanks of every description, ticket reports and all that, and it amounts to quite a large item. I believe every interurban man will bear me out in that assertion and

that he feels the necessity of a separate account for printing and stationery in the operation of cars.

PRESIDENT TINGLEY:—It is a question on which there is a very wide divergence of opinion. I was present when the committee of seven debated this question, and it was a question of three to four in that committee.

MR. SMITH:—Is it fair to charge to the transportation department the expense of blanks that you want the station agents to fill out for your use only, or for the treasurer's use only? It doesn't help transportation at all in the movement of passengers or freight. It is information that the general officers want. Then you charge the transportation man with that expense of printing those blanks. Is that fair?

MR. FORSE:—There is an exception to your statement that transportation does not enter into printing and stationery for the movement of freight, or the traffic, because there must be a way-bill for the movement of freight. You must make some provision for that.

MR. SMITH:—I should think way-bills might be properly excepted, just the same as baggage checks.

PRESIDENT TINGLEY:—Also train orders.

MR. SMITH:—Yes. What I mean are the blanks that are used in the general offices, no matter what department they come from. They make a report to you. It seems to me that all those blanks that come to the general offices are part of the general expenses. I do not think it is fair to charge the departments with them.

MR. KAYSER:—I feel that the transportation department should be charged with the expense of blanks used by station and other employes of that department. To be sure they report to the general office their results, but many of the blanks and records are for the use of the station and the transportation department alone, and on interurban lines and steam lines that are partly interurban they may amount to as much as the general office blanks, and possibly more. For that reason I think we should have the account under the head of "Transportation."

MR. ROGERS:—I want to endorse Mr. Kayser's remarks in that respect. Every department should be charged with each and every expense that it itself creates.

MR. DABNEY:—Where are you going to draw the line in that? It seems to me you have to do either one thing or the other. You have to go right down the line and segregate your expenses or you must put them into one account and use sub-accounts, if you so desire.

PRESIDENT TINGLEY:—The chair is personally of the opinion that “printing and stationery” can be made most valuable by being carried as a general expense. I think, as my personal opinion, that the fewer arbitrary divisions you make,—and the division of printing and stationery must be a purely arbitrary one in a very large percentage of it,—the better and more reliable your statistics are.

MR. KAYSER:—The Interstate Commerce Commission has made these distinctions and has carried them for many years, and it doesn’t seem to introduce much complication between the different items.

PRESIDENT TINGLEY:—If you will talk with any number of steam road accountants you will find many of them are simply making a guess.

MR. SMITH:—I would like to ask Mr. Kayser if he knows any member of the Interstate Commerce Commission that ever kept the accounts of any railroad?

MR. DUFFY:—As one of the original committee I was very strongly in favor of having “printing and stationery” as one account, and that a “general expense.” Now, I would like to second all that Mr. Ham said as to it being correct accounting which ever way you do it. But I would like the convention to bear in mind that we have eliminated from the general printing and stationery account certain items, tickets, transfers, baggage checks, dodgers and posters, etc., so that while we, in the original classification, stood for the one account, in “general expenses,” as a matter of fact we did segregate a considerable part of it. Now the interurban people particularly want this separated. Mr. Forse argued that before our committee very strongly, and I believe that in this year 1907, with the conditions of operation of electric railways as they exist, in view of the fact that we are trying to get harmony and uniformity, and that the Interstate Commerce Commission is committed to the other proposition, that outside of a classification proposition, and aside from

whether or not any one of these gentlemen in this room can or cannot get at their printing and stationery as a total, and printing and stationery as applied to each department, it would be the part of wisdom and of good judgment to let the account stand as drawn in this tentative classification.

MR. SWIFT:—I made the motion as I did for this reason. I believe with some of the others that all the stationery used for the purpose of making reports to the general office should be charged in "general stationery," but there are a great many reports from our power house that are kept for their information entirely.

PRESIDENT TINGLEY:—The question is on Mr. Swift's amendment, that with the exception of the items which have been specifically withdrawn from the "printing and stationery" account, all printing and stationery be carried in one account under "general expense."

(The amendment was lost, ayes, 15; noes, 26.)

MR. SMITH:—I move that the classification as reported by the committee be approved. (Carried.)

MR. DUFFY:—I think we can take up now the question of the treatment of damages as provided for in this tentative classification, as the next order of business.

MR. LINN:—I see no provision here for charging a percentage of the gross earnings to this account, creating an account to which all these items may be charged. I presume it was left out intentionally by the committee, because its members are familiar with the manner of treating these accounts. I would like to know their reasons.

MR. DUFFY:—Mr. Chairman, we did not think that bore on the questions governing charges to the accounts. That is a matter of detail in handling them. If you want to charge a certain percentage monthly to provide a fund to take care of what you will have to pay, all right. I do not think that enters into the classification proposition.

MR. HENRY:—Further than that, it would be a very difficult proposition to lay out a definite proportion of any kind.

MR. LINN:—No, you misunderstand me. I just meant to provide a paragraph in that account for the percentage of gross earnings to charge to this account.

MR. HENRY:— Some one else might have another plan that would be just as good.

MR. DUFFY:— The proposition is that “ damages ” now are all split up here, and track account damages will be charged to “ ways and structures.”

MR. LINN:— I appreciate that, but even with that you won’t charge into Account 36 each month the exact amount you spend for the operation of your cars.

MR. DUFFY:— No.

MR. HAM:— I would suggest that that really has no bearing upon a classification, and I might say that this practice you speak of for damages, I follow so far as Account No. 1 is concerned. I follow it so far as Account No. 2 is concerned in certain regards. I follow it so far as the maintenance of storage batteries is concerned. So you see it is something which has no bearing whatever on the classification. It is just a method of treatment, it seems to me.

MR. LINN:— This committee is going before the Utilities Commission of the Second District of the State of New York to recommend this classification as being approved by the Accountants’ Association. When those reports are made out by the various companies and sent to the commission they will be sworn to by the officer making them out or the president. Now, the instructions will be, if they adopt this, that all items and all expenses on account of persons killed or injured shall be charged to this account. Now, we will assume we have had some bad accidents during the year and have not charged out an amount equal to the cost of settlement or maybe you are on a percentage basis and have charged out an amount exceeding it. Trying to create a reserve as Mr. Beggs mentioned the other day.

MR. DUFFY:— I think I understand Mr. Linn’s idea. You simply want a paragraph inserted that is in the nature of an explanation, that where damages are treated that way, the amount set up is to be charged in this account?

MR. LINN:— Yes.

MR. DUFFY:— And the actual charges to be put up against the reserve set aside?

MR. LINN:— Exactly.

MR. DUFFY:— I see no objection to that. It is a very good suggestion as a matter of elucidation.

MR. FORSE:— I think the same thing is done by the Interstate Commerce Commission, if I remember rightly.

PRESIDENT TINGLEY:— Then how would you treat your "injuries and damages" on your "maintenance of way?"

MR. DUFFY:— That is the point Mr. Ham raised. We will then get into the question of how much is set up. It is simply a question of explanation. The paragraph that Mr. Linn wishes to have inserted is in the nature of an explanation. Now, so far as the measure of that amount is concerned, that will have to be left with the people interested.

PRESIDENT TINGLEY:— The point in my mind is this, are you to set up your entire reserve against your transportation, or are you to apportion your reserve between the various accounts? In other words, is this thing to apply only to Account 36, or is it to be carried through the other accounts which were designated to bear a proportion of injuries and damages?

MR. LINN:— You would only charge to Account 36 the items as set forth under this account, would you not? Now, if you consider that that is 2 or 10 per cent. of your gross earnings, that is all there is to it.

PRESIDENT TINGLEY:— But the point I am making, Mr. Linn, is, for instance in my practice I set up in my various companies a percentage of the gross earnings to take care of my injuries and damages. If a man is on a track gang, repairing a piece of track, drops a rail and smashes his foot, it is charged against that reserve just as much as in the case of a man whose buggy is smashed by a car on the street, or a man who steps off backward and cracks his skull.

MR. LINN:— Well, the amounts paid are all out of proportion in the two classes. In connection with that, I do not see any reason for not consolidating Accounts 36 and 37, because that is practically what you do under the present basis.

PRESIDENT TINGLEY:— That is exactly what the chair does.

MR. HAM:— I am in favor of that.

MR. DUFFY:— I would like Mr. Linn to make that as a motion so far as my personal opinion is concerned, and practice as well.

MR. SMITH:—That explanation says you cannot divide them proportionately. You cannot get the accurate cost.

MR. DUFFY:—I think we better discuss this new principle introduced here of putting damages under these different accounts, and then let us take up the grouping.

MR. FORSE:—I believe thus far there have been three broad questions brought up. The first one is that the expenses of "loss and damages" shall be divided over the several headings, such as "maintenance of way" and "operation" and so on. The next is that a certain per cent. shall be charged against earnings, estimated, and the third is the one that has just been brought up, of the separation of the legal from the other expenses. I think if we take those up one at a time and dispose of each one as we go along we will get through with it sooner.

MR. LINN:—I move that Accounts 36 and 37 be consolidated, the title left to the committee. (Carried.)

MR. LINN:—I move, Mr. President, and Gentlemen, that it is the concensus of opinion of the accountants present that a clause be inserted under Account No. 36 covering the question of charging an arbitrary amount of a percentage of the gross earnings to expenses in lieu of the exact amount that may have been spent during a current month or year, the wording of such clause to be left to the committee.

MR. DAVIES:—The cost of accidents, the amount expended for injuries and damages, and for legal expenses consequent upon injuries and damages, has very little relation to the amount of the gross or passenger earnings of a street railway company. The cost of accidents has relation rather to the number of car-miles run and to the number of passengers carried than to the amount of earnings. Certain classes of accidents — and I presume we all classify them, under from 15 to 30 headings — have relation to car-miles, as, for instance, a collision between cars, which is as likely to happen between cars that are empty as between cars that are loaded; and other accidents, such as those that come from people falling in getting on and off cars, have relation rather to the number of passengers carried than to the car-miles. Our practice in Cleveland, for a year or more past, has been to charge to

damages a certain sum per passenger carried, and a certain other sum per car-mile run, those sums have been ascertained or estimated from an experience of 10 or 12 years. Therefore, while I agree with what is evidently in Mr. Linn's mind, I think the charge to damage account should not be a percentage of gross earnings, but a certain sum per car-mile run, plus a sum per passenger carried. If you charge to expense a percentage of your gross earnings, and ever have to reduce your rate of fare, you will have to change your percentage. I think the instructions as printed should be changed, and should not read that the amount expended in any one month should be charged to expense in that month. Expense should be debited monthly, and an accident reserve account credited with an amount sufficient to meet the liabilities likely to arise from the accidents of the month, estimated in the manner suggested, and then all expenditures on account of accidents should be charged to the Accident Reserve Account. The credit balance of that account should be large enough at all times to discharge all accident liabilities.

(Mr. Linn, with the consent of his seconder, amended his motion by striking therefrom the words "of a percentage of the gross earnings," and the motion was thereupon adopted as amended.)

MR. DUFFY:—We have now disposed of two of the three questions that Mr. Forse thought we ought to take up separately, and, as I think, wisely; but the most important one now is the treatment of damages as suggested in this tentative classification. This is a very much more important question than "printing and stationery," and personally, and as one of the committee particularly, I would like to get the full benefit of all the thoughts, ideas and suggestions you can give us with reference to this proposed treatment. This is a radical step in so far as electric railways are concerned, and I hope it will be fully discussed.

MR. FORSE:—The last clause of the text under this account says, "the expenses in connection with injuries and damages which cannot be actually allocated, are to be divided in the same proportion," etc. When we do that we are estimating, and we might as well try to estimate the cost of operating our entire freight business, which we have all found to be im-

practicable, because we cannot estimate how much of our general officers' time is required to supervise the freight business or any other part of our business. I most seriously object to incorporating anything in this scheme of accounts that is in the nature of an estimate rather than a scientific accounting proposition.

MR. HAM:—Mr. President, in regard to that, I think we all have to make such approximations, and I think a method can be easily worked out by each one whereby it would be close approximation. For instance, suppose the first year your total damages were \$100,000, of which \$90,000 is transportation and \$1,000 is track, and \$2,000 is electric line and so on, making up the total I have mentioned. Accept that as the basis of the division for the second year, of these miscellaneous amounts. Now, when you come to the third year, accept the previous year's division of expenses as your basis. The thing works out with practical accuracy in that way.

MR. FORSE:—Nevertheless it is an estimate, Mr. Ham, and if the absolute facts had been as you stated, that 10 per cent. of the amount had been paid for settlement, and the same percentage applied to the expenses in connection with that settlement, it would be all right, but often times it costs more to settle a small case, there is more expense connected with it, than with a very large one, and it is the broad principle that I am speaking of in this connection.

MR. HAM:—What would be suggested as an alternative proposition?

MR. FORSE:—Well, that is the one objection I have to splitting it up under the several headings.

MR. HAM:—It is just like this—either damages should be placed as they are here now, where they are divided, you might say, among the different accounts that are affected, or they should go back under "general expenses." There is no justification for placing under transportation expenses, expenses that are not in connection with traffic or with transportation. That is the point which I objected to in the former steam railroad classification. It threw all damages under transportation. That is absolutely unjustifiable, and in the new classification I think it has been avoided, and we avoid it here. Now, the amount of the expenses which cannot be

properly assigned to a particular case, it seems to me, will be comparatively small, and as a very large proportion of that is chargeable to transportation anyway, why, the amount which could go wrong is very, very small.

MR. ROGERS:—I would suggest for the purpose of fixing to the monthly charge for each division, that it be based upon a report by the claim department, approved by the general manager, giving the accidents that happened within the current month, their cause and the estimated cost of settlement.

PRESIDENT TINGLEY:—The question is on the approval of the distribution of loss, injuries and damages, as suggested in this classification. (Carried.)

PRESIDENT TINGLEY:—"Insurance," Account No. 50.

MR. DUFFY:—I would like to say a word about insurance,—the way it reads now is:

"Charge to this account the cost of fire and cyclone insurance. The cost of boiler insurance should be charged to Account No. 15, Miscellaneous Supplies and Expenses of Power Plant.

The cost of indemnity insurance should be charged to the account affected, such as Account No. 29, for premiums on bonds of car service employes; Account No. 31, for premiums on bonds of station employes; Account No. 35, for premiums on bonds covering settlement of claims for loss and damage; Account No. 36, for premiums on bonds covering settlement of claims for injuries and damages; or Account No. 49, for premiums on bonds of general officers, and clerks and employes in general office."

Now, it is my judgment if there is any one account that is purely and solely administrative, it is "insurance." It is my judgment, further, that if there is any one account that should not be split up it is "insurance." Now, I think in departing from the old classification to the extent of calling this broadly "insurance" instead of restrictively "fire insurance" we are taking the right course, and I would like to see under that account every kind of insurance that it is possible to have except this damage insurance that we have been discussing here.

MR. FORSE:—I do not agree with Mr. Duffy in that respect. I believe insurance on a fly-wheel at our power house is a part of the operation of the power house, and if we had six power houses we would probably have six times as much

fly-wheel insurance, and the more boilers we have the more boiler insurance, but our general expense is probably just the same. In other words, that fluctuates just as the traffic fluctuates, and I believe those accounts should be sensitive and show the variations as they occur.

MR. DUFFY:—The amount of boiler insurance carried depends on the number of boilers; the amount of fly-wheel insurance, on the number of fly-wheels. The man who is responsible for the maintenance and operation of the power plant has no control over whether it will be insured or not. That is an administrative question.

MR. FORSE:—Don't usually have any control over the cost of coal, either, Mr. Duffy.

MR. DUFFY:—But he has control over the use of it.

MR. HENRY:—The question is, who determines whether you are going to carry the insurance.

MR. KAYSER:—I may say that the same person probably determines that who determines the salary of the station employe. I mean the general officers. When an employe's salary is charged to "transportation" it looks as though the incidental expenses of that station employe should follow and go to the same account.

MR. SWIFT:—I move that Account No. 50, particularly the text, be altered as Mr. Duffy has suggested, to include all insurance except "damages."

MR. DUFFY:—My suggestion is that Account No. 50 be "Insurance" and cover the cost of all insurance premiums, whether fire, cyclone, boiler, fly-wheel, casualty, fidelity, or any other, whatever it may be, except if there should be such a situation, which I doubt very much there ever will be again, that a railway company, in lieu of paying damages to claimants, hire an insurance company to do it, that I want excepted, and that should be charged in "damages."

MR. DAVIES:—I don't agree with Mr. Duffy that all classes of insurance should be charged to this account. I think all insurance against damage to property, whether by fire, explosion, cyclone, or any other cause, might properly be

charged to this account, but I do not think fidelity insurance should be charged here, any more than accident insurance.

PRESIDENT TINGLEY:—The motion before the house is that Account No. 50 be amended so as to cover all insurance premiums except public or employers' liability insurance.

MR. DUFFY:—Which, in other words, is "injuries and damages" insurance.

MR. HAM:—What about "loss and damage?"

MR. DUFFY:—Well, "loss and damage" could come in the same category, I should say.

(Carried.)

Recess until 2 P. M.

THURSDAY AFTERNOON SESSION

OCTOBER 17, 1907.

President Tingley called the meeting to order at 2:30.

PRESIDENT TINGLEY:—The next order of business is the apportionment accounts on pages 21 to 22 of the report of the Committee on Classification of Accounts. Is it your pleasure to discuss these five accounts on the broad general principle of apportionment accounts, or shall we take them up seriatim?

MR. FORSE:—I would suggest that the broad general principles be discussed first, and then be followed by consideration of the accounts seriatim.

PRESIDENT TINGLEY:—If there is no objection we will proceed.

MR. HAM:—Mr. President, I would call upon Mr. Duffy to explain in a general way the purposes of Accounts Nos. 101 to 105. The text in this case was prepared by Mr. Duffy, and in fact I think he stands as sponsor for all of the accounts.

MR. DUFFY:—Mr. President and gentlemen, as far as Accounts 101 and 102 are concerned in the former classification they were under the general expense accounts, the idea of the committee at that time being that stores' expenses were a general expense, that stable expenses was a general expense of the same nature, to be treated in the same manner, as printing and stationery. Now, under this classification it was thought that stores' expenses should be nothing more or less than what it stands for here, an account under which would be gathered all the expenses, the charges of which would be of the same nature as under the old Account 29. Now, the same is true of stable expenses.

With regard to Accounts 103 and 104, I expect that possibly Mr. Forse had these two accounts particularly in mind, also 105. But beginning with Account 103, "Use of power plant steam," that is defined in parentheses, "for other purposes than generation of electric current." Then it goes on

to state "Power plant steam, used for other purposes than generation of electric current, should be charged monthly to the work or accounts benefited by its use and credited to Account No. 103, 'Use of power plant steam (for other purposes than generation of electric current.)' The credit so shown should be deducted from operation of power plants and sub-stations in order that the actual net cost of the generation of electric current for the propulsion, lighting and heating of cars operated for revenue be ascertained and shown.

"If revenue is derived from the sale of steam, the credit should not be made to this account but to 'Miscellaneous earnings.'"

Now, the thought that I particularly had in mind in suggesting this Account 103, was that with many railroad companies the steam generated at the power plant for the purpose of generating electricity, is used for operating shop engines, for heating buildings and for various other purposes than the purposes laid down here. If we are going to get at the actual cost of generating electricity for the purpose of propelling revenue cars, all the cost for other purposes should be deducted from power plant accounts, and the actual cost for revenue cars would then be shown. Account 104 is practically of the same nature, only a little different in application, "Use of electric current" (for other purposes than operation of revenue cars). The credit so shown should be deducted from operation of power plants and sub-stations in order that the actual net cost of the generation of electric current for the propulsion, lighting or heating of cars operated for revenue be ascertained and shown.

If revenue is received from the sale of electric current, the credit should not be made to this account but to "Miscellaneous earnings."

Now, here we have a different condition but we have the same principle involved. We may generate current at the power plant for the purpose of propelling revenue cars. We may use a large amount of that current in the operation of the miscellaneous equipment. We may run shop motors with it, light buildings, run motors in the printing office, for

instance, and for various other purposes. Now, if the other accounts are going to stand for the cost of the generation of power for the propulsion of cars, then this cost will show unfairly with respect to that performance.

Now, with regard to Account 105, "Operation of electric locomotives, work-car equipment and automobiles," "Charges to operation of electric locomotives, work-car equipment and automobiles, including use of electric current, wages of employees operating electric locomotives, work-cars or automobiles, proportionate cost of car service supplies (Account No. 25) and all other supplies and expenses incident to the operation of electric locomotives, work-cars, or automobiles (cost of maintenance to be charged to Account No. 9 under the appropriate subdivision) should be closed out monthly and carried to such operating expense accounts, construction and equipment accounts, or other expense accounts, as would be proper, based on the use made of the electric locomotives, work-cars or automobiles."

This comes in line with the point I raised with Mr. Balch, that it would be unfair in electric railroad practice to charge the maintenance of electrical equipment to "way and structures," for the reason that there are many other departments of the business that get the benefit of the use of that equipment, and should therefore stand the expense of the operation of it. In other words, if you are going to take an electric locomotive and switch cars with it all day, you may use just as much, or more, current than you would in operating a passenger car. You do not operate that electric locomotive for revenue purposes but it is simply used as a part of your work-car equipment, or miscellaneous equipment, and the cost of the men that man that electric locomotive, or work-car, or sand car, or supply car, or snow plow, or sweeper, or whatever it may be, and all of the expenses incident to the use of it, should be charged up to the account getting the benefit. That is the idea of these five accounts.

PRESIDENT TINGLEY:—Mr. Duffy, might I ask, for example, suppose you use your exhaust steam for heating a building, steam which would otherwise be exhausted into the atmosphere, would it be the idea of the committee that a proportionate charge should be made for that?

MR. DUFFY:—Yes, sir. As a matter of fact, in the operation of a steam engine, if you exhaust your steam, as you have described, and with it heat another building, it is very perceptible in the coal pile and it is very perceptible in the cost of generating electric current.

PRESIDENT TINGLEY:—One other point, in Account 105, I think the same thought should come in there as came in when electric locomotives were mentioned in the other account. There should be something in there to non-revenue locomotives as distinguished from locomotives in revenue service.

MR. FORSE:—I note that in the text nothing is said about whether this shall be the actual cost of the steam or electric current, and I presume that is an intentional omission on the part of the committee. I have in mind a company that in constructing a new branch line, charged a certain amount for the power furnished work trains. Is it the idea of the committee that in a case of that kind the actual cost as it appears to the operating company should be shown here, or the price that would have to be paid another company furnishing the same power?

MR. DUFFY:—Mr. President, the basis as to what should determine the cost was purposely left out. I would like to say that in my judgment the sound practice in the case you speak of would be to show the actual cost of production. In other words, Mr. Forse, this is, as I have entitled it here, possibly not so well as some one else might have,—a mere apportionment account, a mere apportioning to the work receiving the benefit of the current or steam, such part of the cost that the remainder will stand for the purpose that the accounts stand for.

MR. ROGERS:—I move the adoption of these five accounts incorporating the suggestion of our president, that something be inserted here to define that this does not mean cars operated for revenue under Account 105.

MR. HAM:—I want to ask Mr. Duffy one question. In Account No. 103 it says, “the credit so shown should be deducted from operation of power plants and sub-stations in order that the actual net cost of the generation of electric current for the propulsion, lighting and heating of cars operated for revenue be ascertained and shown.” Would not

the result of that be, if there were revenue derived from the sale of steam, that the total cost of your power plant operation would not represent the cost of operating your revenue cars?

MR. DUFFY:— But it would represent the total cost of the operation of the power plant, the use of which resulted in revenue.*

MR. HAM:— The remainder of the result would not be the actual net cost of the current for propulsion of revenue cars.

MR. DUFFY:— Not in the case of miscellaneous earnings, no, sir.

MR. HAM:— I think then that that should be re-worded slightly.

MR. DUFFY:— Oh, undoubtedly. This is all subject to revision. This question of showing the sale of steam or electric current as earnings is something far more important than the mere question of apportionment. The State of New York expressed itself very vigorously on that years ago, that it must be shown in the earnings, and it is so provided for in the present classification.

PRESIDENT TINGLEY:— It is quite probable, too, that this sale of steam may also come into question. I have in mind right now quite a large manufacturing plant which for purposes of economy is desirous of installing an individual motor drive on its machinery, but it hesitates to do so because steam is used for heating purposes in winter. Now we do not sell them electric current, because we are simply a street railroad, but our power plant is right alongside their plant, and we are installing now a good deal of additional boiler capacity and they have asked us to name a price for steam to heat their plant in winter time, a good big plant. Undoubtedly as this use of individual motors in factories goes on, people who are located near power plants will be asking this same question.

MR. DUFFY:— Mr. President, I may say that in Milwaukee the Pabst Building and one or two other large buildings in the center of the city received steam from the power plant of the Milwaukee Electric Railway & Light Company very much in the way that you suggest until the thing grew so that the Milwaukee Central Heating Company is now a duly incor-

porated company and conducts the steam heating part of the business, the company being in the railway, the lighting and steam heating business. They get the steam from the same power plant that generates the electricity that drives the cars, and furnishes current to light the city lamps.

MR. FORSE:—Does the railway company sell the steam to the heating company?

MR. DUFFY:—We work it out on an apportionment basis that we think is fair all around, but it is a decreased expense in the operation of that particular power plant in so far as the lighting man or the railway man is concerned. We find our railway men, our lighting men and our steam heat men are far more exacting than the railroad commissioners. We have got to be more particular.

PRESIDENT TINGLEY:—The motion is that Accounts Nos. 101 to 105 inclusive be approved. (Carried.)

MR. BROCKWAY:—Mr. President, of course that includes the change necessary in regard to the electric locomotives?

PRESIDENT TINGLEY:—Yes. Now you have discussed this committee report *seriatim* and have made sundry changes therein. What is your pleasure as to the report as a whole?

MR. ROGERS:—I would like to present this resolution for the consideration of the convention:—

“**RESOLVED**, that the tentative classification of operating expense accounts submitted by the Committee on Standard Classification of Accounts and Form of Report, be approved as amended, and referred back to said committee for final revision, with power to act.”

(Adopted.)

PRESIDENT TINGLEY:—The next order of business is the report of the Committee on International Standard Form of Report. The chairman of that committee is not in the room at the moment, and it would be in order to pass over that until he is present.

That, gentlemen, finishes the business of Wednesday's session. We are now on Thursday,—a few hours behind time. The first thing in order is the paper on “Where Maintenance Ends and Depreciation Begins,” by J. H. Neal, Auditor of Disbursements, Boston Elevated Railway Co., Boston, Mass. Owing to the serious illness of Mr. Henry L. Wilson, General Auditor of that company, Mr. Neal is unable to be present. He has asked Mr. Ham to present the paper on his behalf.

WHERE MAINTENANCE ENDS AND DEPRECIATION BEGINS.

By J. H. NEAL, *Auditor of Disbursements,*
Boston Elevated Railway Company, Boston, Mass.

Depreciation accounting is almost entirely dependent upon estimates and uncertain elements; two features, and two only standing forth as positive factors. The first is that values are continually diminishing in practically every creation by man, and the second, that maintenance is but a partial replacement of such impairment.

Strictly speaking, therefore, depreciation begins before maintenance is necessary; *not* where maintenance ends, and, as a matter of fact, there is no absolute line of demarcation between the two such as the title of this paper might imply. Custom, however, has caused certain meanings to become attached to each term, which it is well to recognize in order to facilitate discussion.

Supercession and appreciation will purposely be omitted from consideration in this paper on account of the limitations of the subject.

Maintenance is generally understood to be the ordinary repairs and renewals necessary to keep property in operative condition.

Depreciation is usually defined as "ultra wear and tear" or such deterioration as may not be provided for by maintenance.

Obviously the extent of the latter is controlled by the former, although, to be sure, no amount of maintenance can entirely replace the deficiency.

Efficient management, among other qualifications, implies the ability to approximately determine the point where expense of ordinary repairs becomes abnormal and consequent renewal, or substitution necessary.

On the other hand, the essence of successful accounting for depreciation lies in the degree of accuracy with which the probable life of property is determined.

At a glance then it can be seen that these problems are analogous, and that the same means must be adopted for the solution of either the one or the other, both requiring the establishing of a point where maintenance should end.

A careful analysis of the first nine accounts of our "Standard System" no doubt materially assists in forming judgment as to the economy and efficiency with which a property is being maintained. That is what they are for. Beyond question, however, something more than this is needed, for it is easy to show low maintenance cost for a period of years at the expense of the life of the property, and equally easy to unwisely expend large sums in maintaining equipment that should be discarded.

Of course it may be said that, if depreciation reserves were established, these, in conjunction with maintenance accounts would render

the situation complete. However, this is not at all the fact. Rather the rate of the annual charge for depreciation is often determined from accounts which involve the erroneous conditions mentioned above, with possibly others.

The seven common methods of charging depreciation are enumerated below, together with a practical illustration showing the application of a few:

1. Equal proportion annually of original cost.
2. Fixed percentage on gradually diminishing balance of original cost.
3. Fixed percentage on gross earnings.
4. Fixed percentage on net earnings.
5. Annuity system.
6. Periodic revaluation.
7. Proportion of betterments charged to operating.

The statement contained on the next two pages shows exactly the same final results by using different methods of charging off depreciation on track valued at \$12,000, the supposed life of which is twelve years, allowing ten per cent. for salvage at the end of that time.

None of these methods in themselves can assist in establishing the point where maintenance becomes uneconomical. In fact, they are nearly all originally based on an estimate as to where this point occurs. Whether or not their results are useful, depends entirely upon how nearly actual practice approaches the degree of maintenance calculated in the first place.

But it is not the province of this paper to discuss the advantages or disadvantages of these methods. All are more or less effective under proper conditions. One thing is certain, however, that with the single exception of "periodic revaluation" each is constructed upon a basis which the progress of time and events must surely change, and as the navigator checks by celestial observation his reliance upon the compass, so the executive must frequently adjust the means which he adopts to conditions as they actually exist, or error and confusion will surely result.

Revaluation is in most cases impractical, at least with frequency, therefore to effect these adjustments, to establish probable life and to supply the element missing from our conventional bookkeeping accounts, continuous consideration must be given to the *physical changes* which take place.

It is in the light of such detail only, that a proper display of the relations between maintenance and depreciation can be obtained, because of the wide divergence in the character of equipment and the governing conditions.

It is often a source of surprise to scientists and inventors when suddenly they discover right under their noses some little thing for which they have long been searching. They wonder why they have not seen it before. It appears that this may prove to be the case with many in their consideration of depreciation.

	Method No. 1 Equal proportion of original cost.	Method No. 2. Percentage on diminishing balance.	Method No. 5. Annuity system at 5 per cent. interest.
Original cost	\$12,000 00	\$12,000 00	\$678 52
Charges first year.....	900 00	2,095 20	
Value second year.....	11,100 00	9,904 80	
Charges second year.....	900 00	1,729 38	
		2d deposit	\$678 52
		Interest	33 92
			712 44
Value third year.....	10,200 00	8,175 42	
Charges third year.....	900 00	1,427 42	
		3d deposit	\$678 52
		Interest	69 54
			748 06
Value fourth year.....	9,300 00	6,748 00	
Charges fourth year.....	900 00	1,178 20	
		4th deposit	\$678 52
		Interest	106 94
			785 48
Value fifth year.....	8,400 00	5,569 80	
Charges fifth year.....	900 00	972 48	
		5th deposit	\$678 52
		Interest	146 21
			824 73
Value sixth year.....	7,500 00	4,597 32	
Charges sixth year.....	900 00	802 68	
		6th deposit	\$678 52
		Interest	187 45
			\$3,749 23
Value seventh year.....	6,600 00	3,794 64	
Charges seventh year.....	900 00	662 53	
		7th deposit	\$678 52
		Interest	210 75
			\$4,615 20
			909 27
			\$5,524 47

	Method No. 1. Equal proportion of original cost.	Method No. 2. Percentage on diminishing balance.	Method No. 3. Annuity system at 5 per cent. interest.
Value eighth year	\$5,700 00	\$3,132 11	\$678 52
Charges eighth year	900 00	546 86	276 21
			\$954 73
Value ninth year	4,800 00	2,585 25	\$678 52
Charges ninth year.....	900 00	451 37	323 95
			1,002 47
Value tenth year	3,900 00	2,133 88	\$678 52
Charges tenth year.....	900 00	372 55	374 08
			1,052 60
Value eleventh year.....	3,000 00	1,761 33	\$678 52
Charges eleventh year.....	900 00	307 51	426 71
			1,105 23
Value twelfth year	2,100 00	1,453 82	\$678 52
Charges twelfth year.....	900 00	253 82	481 98
			1,160 50
Value for salvage at end of twelfth year	\$1,200 00	\$1,200 00	Total amount of fund at end of 12th year.....
			\$10,800 00

Note—Methods No. 3, No. 4, No. 6 and No. 7, are not subject to illustration in this manner.

No department head can intelligently conduct his work without a mass of detail which furnishes exactly the information desired.

The man who repairs the motors must have a knowledge of the frequency and causes of breakdowns which interrupt travel or require large expenditures. The man in charge of tracks must study the life of ties, timbers, rails, frogs, etc. The man who produces power must know when the boilers or steam piping, etc., become a menace to safety, maintained though they may be, and so right through the line, one and all are endeavoring to establish the very point at issue.

None of these men are so bold, however, as to be willing to commit themselves as to what *rate* of depreciation would be proper, taking *all* kinds of track, or *all* kinds of motors, or *all* kinds of power house equipment together. They wish to particularize. Permit them to do this, and the competent men can make exceedingly accurate estimates.

Just so with the general proposition. The pith of the matter is subdivision. Certainly it is not wise to trust to the generalization of others. Each property is a problem in itself and should be governed by matters of facts obtained mostly from its own experience.

Nothing demonstrates this so clearly as opinions expressed in our trade journals together with a review of the practices pursued by a large number of English and American companies. Authorities can be found on each and every one of ten general divisions, advocating an annual charge varying from one to ten per cent. Such differences are of tremendous importance when a large railway is considered and naturally cause confusion and doubt.

There is no reason to fear the detail which subdivision involves. Once a list is established it only remains for the auditor to watch and adjust it in combination with department heads. Naturally some extra time and trouble is required, but why should we expect to control so important a matter by a single table of some dozen items culled from the statements of others?

Standardizing accounts is one thing and standardizing rates of depreciation is certainly another.

On every road in existence there are conditions which furnish extremes. On one road, one extreme might prevail, on another, the opposite extreme. If all the roads in the country were united then one method and one rate would accomplish good results. Individually, however, each must look out for itself.

In conclusion it may be said that corporations, like living things, increase their strength and vigor in proportion to the effort that they put forth. Now, the very effort of establishing, as perfectly as possible, the relations between maintenance and depreciation is productive of excellent management and an excellent understanding of the value and capacity of the property.

On the assumption that the title restricts such freedom, many features of interest and indeed importance have not been touched upon, nor concrete examples cited; the writer simply advocating the policy of "each road by itself, each subdivision by itself and each

changing condition by itself;" giving due consideration to the experiences of others, but adopting their details only where circumstances are determined to be exactly similar.

Discussion of Mr. Neal's Paper.

PRESIDENT TINGLEY:— Gentlemen, the paper is before you. Mr. Ham, have you any individual views that you would like to express on this subject?

MR. HAM:— Mr. President and Gentlemen, I agree most heartily with Mr. Neal's thought that it is by picking out an individual instance that we can arrive at the proper idea of depreciation. I think in the past the trouble with the consideration of the question of depreciation has been that we did not look at it from that standpoint. The question has been, What percentage of our gross receipts, or How much per year for the entire property? Nobody knew, nobody could answer the question, and therefore in many instances they have simply done nothing because they did not know what to do. They did not know what charge to make, consequently they made none, whereas, if they were to pick out a single item, for instance, a car body,— now, we all know a car body cannot last forever, we know it is capable of being repaired from day to day and from year to year, but there is going to come a time when that car must go out of service, and proper accounting would provide a fund which would be sufficient to purchase another car to replace the car that has gone out of service. So with any item that enters into the construction of a railroad. The principle of depreciation becomes so much simpler when we limit it to one individual item rather than consider it as a general discussion of depreciation of the whole property. My thought is that the way in which that depreciation should be handled is to take it item by item. If we cannot do it all at once, pick out some few items as to which we can establish depreciation, and in the long run we will come to a reasonable degree of determination of the proper amount of depreciation to charge.

MR. HENRY:— The only thing I could say to probably strongly illustrate Mr. Ham's point, is to refer to the question of replacing storage batteries. There is a specific item with

a specific cost, with a very close estimate as to the life of it. Depreciation can be determined, and I see no reason why this could not be determined with the other things with the same amount of investigation.

PRESIDENT TINGLEY:— Mr. Brockway, you are the “daddy” of this proposition.

MR. BROCKWAY:— I wish Mr. Neal had said which of these seven, or, as I believe, more, plans he favored. That is, after arriving at the general approximate total which must be laid aside each year, then comes the method of laying aside. Personally it seems to me that the greatest safety lies in method No. 2, on page 197. My preference for that lies in this one reason, that if in the optimism of the engineer or the manager on whom has fallen the task of placing the percentage, or the age, of an article,— if in their optimism they should stretch that out further than supercession and actual wear and tear would let the property last, method No. 2 would leave more money in the fund when the company suddenly awoke to the fact that it had allowed more years for an article to last than it really did last.

There are other methods than these seven of arriving at the total amount to lay aside each month or each year, and I wish Mr. Davies were here to give his idea and his method of the car-mile plan; but I believe Mr. McDole can explain that for us.

MR. McDOLE:— Mr. President, I do not believe I am capable of explaining very clearly. We have gone back for, ten or twelve years and compiled the total cost of maintenance. On the track and equipment we charge out so much per car-mile, on the power house and generator we charge out so much per kilowatt. In that way we are building up a depreciation fund to take care of any renewals.

PRESIDENT TINGLEY:— Per kilowatt capacity, or per kilowatt hour output?

MR. McDOLE:— Kilowatt hour output.

PRESIDENT TINGLEY:— Personally I think that is the right principle. I have been making some studies myself right along this line, and you get more definite results, taking an average over a period of years, for instance, on your track and roadway, on a car-mileage basis than I have been able to find that any other method will produce.

MR. FORSE:—The only thing I can think of, Mr. President, was the suggestion that I mentioned in the committee meeting, and that was the different effect of this question of depreciation upon different kinds of properties. That is, we will have a property that is upon established operating basis, that is old and well established, such as most of our city lines; and on the other hand we will have a line that is building in a new country and developing new business, and I believe I mentioned the fact that when the pioneer steam roads were being constructed in our western country the government aided them with land grants of thousands of acres. It was considered that they needed some assistance to carry them through the unprofitable years. The electric railway industry is in somewhat the same condition to-day as regards the construction of interurban and interstate properties, and I believe their development should be helped rather than hindered. That is just a suggestion in passing.

PRESIDENT TINGLEY:—What is your pleasure, gentlemen, as to the paper?

MR. DUFFY:—I move, Mr. President, that the paper be received and put on file, and that the thanks of the association be extended to Mr. Neal for the able and comprehensive manner in which he has dealt with the subject.

(The motion was carried.)

PRESIDENT TINGLEY:—The next order of business is to clear the table. The only unfinished business that the chair has is the appointment of two committees authorized at our first session, one, a committee to confer with the National Electric Light Association, and another, a committee to confer with the Public Service Commission of the Second District of New York. One of these conferences will be held on Monday and the other on Tuesday of next week. The chair was instructed to select the committee from the Standard Classification Committee, so that he will appoint an identical committee to act in both capacities, and will appoint on such committee Messrs. William F. Ham, C. N. Duffy, and F. R. Henry.

The next thing in order is the report of convention committees. Mr. Dabney, have you the report of the Committee on Resolutions?

MR. DABNEY:—Yes, sir. In the absence of Mr. Young, who was called out of the city, I was asked to act as chairman.

REPORT OF COMMITTEE ON RESOLUTIONS.

To the American Street and Interurban Railway Accountants' Association:

GENTLEMEN:—Your Committee begs leave to submit the following report:

RESOLVED, that the thanks of this association be extended to the Manufacturers' Association for the many entertainments that it has provided through their special committee for our members and guests; to the Delaware and Atlantic Telephone Company, the Bell Telephone Company of Philadelphia and the American Telephone and Telegraph Company for the use of their service; to the Country Club of Atlantic City for the privilege of its beautiful club house and grounds; to President Tingley, to the officers associated with him; to the Committee on Standard Classification of Accounts for its earnest and efficient work on behalf of this association during the past year; and to the authors of the interesting and able papers read before this association.

RESOLVED, that whereas requests have been made by the Interstate Commerce Commission and by State Railway and Public Service Commissions for copies of the proceedings of this association and whereas this association has been the recipient of many courtesies from these bodies, the secretary be authorized to supply them with copies of such proceedings.

RESOLVED, that the sincere sympathy of this association be extended to our first president, Mr. H. L. Wilson, who, on account of severe illness, has been unable to attend this convention.

Respectfully submitted,

P. S. YOUNG, *Chairman.*

F. DABNEY,

W. G. McDOLE,

A. H. KAYSER,

Committee on Resolutions.

MR. SMITH:—Mr. President, I move the adoption of the resolutions. (Carried.)

PRESIDENT TINGLEY:—We will now hear the report of the Committee on Nominations, which will be presented by Mr. Brockway, the chairman.

MR. BROCKWAY:—Mr. President and Gentlemen.—Your committee has had some difficulty in making up a ticket this year for the reason that last year it was decided that the executive committee in the future should be selected with a view

to being as near to the president as possible so that he could obtain a meeting of the committee at a minimum of cost. We have found, due to the injection of so much new blood into the association, that we have a great deal of material in the territory surrounding the president, but whether it is owing to modesty on the part of the new members or not, the committee found itself in the position of not knowing many of them. Therefore we have had to go a little farther away from the president, geographically, than is customary. It is only due to one of the members of the committee to explain that the ticket was wholly complete except the third vice-presidency, and finally, through the kindness of the committee the selection of the third vice-president was left with the chairman of the Nominating Committee with power to act, and when one of the members of the committee hears his name read he may be somewhat surprised.

REPORT OF THE COMMITTEE ON NOMINATIONS.

To the American Street and Interurban Railway Accountants' Association:

GENTLEMEN:— Your Committee desires to report the following nominations:

For President — Frank R. Henry, Auditor United Railways Co. of St. Louis, St. Louis, Mo.

For 1st Vice-President — R. N. Wallis, Treasurer, Fitchburg & Leominster Street Railway Co., Fitchburg, Mass.

For 2d Vice-President — W. H. Forse, Jr., Secretary and Treasurer, Indiana Union Traction Co., Anderson, Ind.

For 3d Vice-President — S. C. Rogers, Treasurer and Auditor, Mahoning & Shenango Railway & Light Co., Youngstown, Ohio.

For Secretary and Treasurer — Elmer M. White, Treasurer and Auditor, Birmingham Railway Light & Power Co., Birmingham, Ala.

For members of the Executive Committee — C. L. S. Tingley, 2d Vice-President, The American Railways Co., Philadelphia, Pa.; A. L. Linn, Jr., General Auditor, The Mohawk Valley Lines, New York, N. Y.; A. R. Patterson, General Auditor, Savannah (Georgia) Electric Co., Boston, Mass.; H. E. Weeks, Secretary-Treasurer, Tri-City Railway Co., Davenport, Ia.

Respectfully submitted,
W. B. BROCKWAY, *Chairman.*

MR. DUFFY:—I move that the report be adopted, Mr. President.

MR. SMITH:—And that the secretary be instructed to cast the vote of the association for the ticket nominated.

(Carried.)

PRESIDENT TINGLEY:—The secretary reports that the vote is cast and the gentlemen nominated have been duly elected for the respective terms of office.

Now, gentlemen, it is up to your president to perform the last duties of his office. I want to thank you all most heartily for your attention to what has been a very prolonged and hard-working convention, for your unfailing courtesy and for your diligence in the business of the association. As the chairman of the Nominating Committee has said, we of the older members have looked into many new faces at this meeting, and at times we have just felt a little bit lonesome, but I think we have outgrown that now, and that when we meet next year we shall all feel at home and that we are of one big family.

I now take pleasure in presenting to you one who needs no introduction, your new president, Mr. Henry.

PRESIDENT-ELECT HENRY:—Gentlemen of the Convention, I do not suppose that any speech is expected at this time and probably would better be dispensed with. You have all had a long and tedious session. I feel a little bit timid after succeeding to the office of president when so many able men have in the past held this office, but I believe that every member of the association will agree with me that it is an honor of which any one should be proud, and I assure you that I appreciate the honor shown me. If I had anything to say at this time it would be that the larger object of the association should be the upbuilding of the accounting officers of the street railways of the United States. By attending these conventions the younger members of the association should derive a great deal of benefit, not alone from the technical or detailed discussion of some of these subjects, but I think the greatest benefit to be derived from the association is the enlarging of the point of view of the different members, or, rather, the deriving of more than

one point of view in looking at these various subjects; also a broader conception of the larger propositions pertaining to the street railways of the country. This is getting to be a large industry, and it will require in the years to come, I believe, all the able bodied and intelligent accounting officers that it will be possible to command.

I think this is all I have to say at this time. I thank you.
(On motion of Mr. Brockway, the convention adjourned
sine die.)

CONSTITUTION AND BY-LAWS
OF THE
AMERICAN STREET AND INTERURBAN RAILWAY
ACCOUNTANTS' ASSOCIATION.

CONSTITUTION.

Name.

I. The name of the association shall be the "American Street and Interurban Railway Accountants' Association," and its office shall be at the place where the secretary resides.

Objects.

II. The objects of this association shall be to bring together those engaged in the accounting department of street and interurban railway companies, for the interchange of ideas, to promote the adoption of a uniform system of accounts, and to improve the work of the accounting department.

Members.

III. The membership of this association shall consist of active members of the American Street and Interurban Railway Association. Each member shall be entitled to one vote, which shall be cast by the properly accredited representative of the accounting department.

Amendment.

IV. This constitution may be amended by a two-thirds vote of the members present at a regular meeting, provided the proposed amendment shall have the approval of two-thirds of the executive committee, and provided that a copy shall have been sent to each of the active members of the American Street and Interurban Railway Association at least thirty days prior to the date of the meeting at which the proposed amendment is to be acted upon.

BY-LAWS.

Officers and Executive Committee.

I. The officers shall consist of a president, three vice-presidents, a secretary and treasurer, and four others, who shall constitute the executive committee. The executive committee shall have the entire

charge and management of the affairs of the association. The officers and executive committee shall be elected by ballot at each annual meeting of the association, and shall hold office until their successors shall be elected; they shall hold meetings at the call of the president, or in his absence at the call of the vice-presidents, in their order, and make arrangements for carrying out the objects of the association. The duties of the secretary and treasurer shall be performed by the same person. The officers and executive committee shall assume their duties immediately after the close of the meeting at which they are elected. In case of resignation or death of any of the officers or members of the executive committee, the vacancy may be filled for the remainder of the term by the executive committee.

President.

II. The president shall be the chief executive officer of the association. The president, if present, or in his absence one of the vice-presidents, in their order, if present, shall preside at all meetings of the association and of the executive committee, and shall represent this association on the executive committee of the American Street and Interurban Railway Association.

Secretary and Treasurer.

III. The duties of the secretary and treasurer shall be as follows:

- (a) To receive and safely keep all moneys of the association; to keep correct accounts of the same, and to pay all bills approved by the president. He shall make an annual report, to be submitted to the association. He shall give a bond to the president in such a sum and with such sureties as shall be approved by the executive committee. He shall be paid a salary fixed by the executive committee.
- (b) To take minutes of all the proceedings of the association and of the executive committee and to enter them in books kept for the purpose.
- (c) To conduct the correspondence of the association.
- (d) To read minutes and notices at all meetings and to present papers and communications if the authors wish it.
- (e) To collect and file for the benefit of the members information regarding matters relating to the purposes of the association.
- (f) To attend to the publication of the proceedings of this association in connection with the secretary of the American Street and Interurban Railway Association.
- (g) To send notices to all members of the association at least thirty days before each meeting, mentioning papers to be read and any special business to be brought before the meeting.
- (h) To perform such other duties as may be required of him by the constitution and by-laws, and such duties as may be assigned him by the executive committee.

Executive Committee.

IV. (a) The executive committee shall hold a regular meeting before each regular annual meeting of the association, and shall hold such special meetings as may be necessary. Such special meetings may be called by the president or any five members of the executive committee. A majority of the members of the executive committee shall constitute a quorum at all meetings. A vote of the executive committee may be taken by mail when deemed necessary by the president.

(b) The secretary shall give such reasonable notice of all meetings as the committee shall by vote prescribe, and all such notices shall as far as practicable specify the business to be brought to the attention of the committee at such meetings.

(c) The executive committee shall present a report to each regular annual meeting of the association, and shall include in such report the names of the members elected during the year, and its recommendation for the future work of the association.

Meetings.

V. Regular annual meetings of the association shall convene at a time and place to be approved by the executive committee. Special meetings may be held upon the order of the executive committee. Notice of every meeting shall be given by the secretary, in a circular addressed to the members, at least thirty days before the time of the meeting. Fifteen members shall constitute a quorum at any meeting.

Order of Business.

VI. At the regular annual meeting of the association the order of business shall be:

1. Reading of the minutes of the last meeting.
2. Address of the president.
3. Report of the executive committee.
4. Report of the secretary and treasurer.
5. Reports of special committees.
6. Reading and discussion of papers.
7. General business.
8. Election of officers.

At the other general meetings of the association the order of business shall be the same, except as to the 3d, 4th and 8th clauses.

Voting.

VII. All votes except as herein otherwise provided shall be *viva voce* or by ballot upon the request of any member, and in case of a tie the presiding officer shall vote.

Reading of Papers.

VIII. All papers read at the meetings of the association must relate to matters connected with the objects of the association, and must have the approval of the executive committee before being read. Persons to whom subjects are assigned must signify in writing their intention to prepare the paper, which is to be forwarded to the secretary at least sixty days previous to the date of meeting.

Papers, Blanks and Forms.

IX. All papers, blanks and forms submitted to the meetings of the association shall remain the property of the owners, subject, however, to be retained by the executive committee for examination and use.

Rules of Order.

X. All rules not provided for in these by-laws shall be those found in "Roberts' Rules of Order."

Amendment.

XI. Notice of all propositions for adding to or altering any of these by-laws shall be given to the members of the association at least thirty days before the meeting at which they are to be acted upon.

Copies of Constitution and By-Laws.

XII. Each member of the association shall be furnished by the secretary with a copy of the constitution and by-laws of the association and also a list of the members.

MEMBER COMPANIES AND THEIR ACCOUNTING OFFICERS.

(Arranged alphabetically according to the names of companies.)

ALBANY & HUDSON RAILROAD Co., Hudson, N. Y.,
A. P. Deeds, Auditor.

ALTOONA & LOGAN VALLEY ELECTRIC Ry. Co., Altoona, Pa.,
C. L. S. Tingley, Secretary and Treasurer, Philadelphia, Pa.

ANDERSON TRACTION Co., Anderson, S. C.,
C. I. Dawson, Auditor.

ANNISTON ELECTRIC & GAS Co., Anniston, Ala.,
H. W. Sexton, General Manager.

ASHEVILLE ELECTRIC Co., Asheville, N. C.,
H. W. Plummer, General Manager.

ATLANTIC COAST ELECTRIC RAILWAY Co., Asbury Park, N. J.,
G. B. Cade, Auditor.

ATLANTIC SHORE LINE RAILWAY Co., Kennebunkport, Me.,
A. D. Foster, Auditor.

AUGUSTA & AIKEN RAILWAY Co., Augusta, Ga.,
T. C. Vason, Auditor.

AURORA, ELGIN & CHICAGO RAILROAD Co., Wheaton, Ill.,
C. E. Flenner, Auditor.

AUSTIN ELECTRIC RAILWAY Co., Austin, Tex.,
W. J. Jones, President.

BANGOR RAILWAY & ELECTRIC Co., Bangor, Me.
F. D. Oliver, Treasurer.

BAY CITY TRACTION & ELECTRIC Co., Saginaw, Mich.,
C. E. Mershon, Auditor.

BEAUMONT TRACTION Co., Beaumont, Tex.,
Frank J. Duffy, Secretary.

BENTON HARBOR-ST. JOE RAILWAY & LIGHT Co.,
St. Joseph, Mich.,
H. C. Mason, Treasurer.

BINGHAMTON RAILWAY Co., Binghamton, N. Y.,
J. P. E. Clark, Auditor.

BIRMINGHAM RAILWAY LIGHT & POWER Co.,
Birmingham, Ala.,
Elmer M. White, Auditor.

BOSTON & MAINE RAILROAD Co.,
(CONCORD & MANCHESTER ELECTRIC BRANCH, Concord, N. H.),
W. J. Hobbs, General Auditor.

BOSTON & NORTHERN STREET RAILWAY Co., Boston, Mass.,
D. Dana Bartlett, General Auditor.

BOSTON & WORCESTER STREET RAILWAY Co., Boston, Mass.,
George A. Butman, Secretary.

BOSTON ELEVATED RAILWAY Co., Boston, Mass.,
H. L. Wilson, Comptroller.

BRIDGETON & MILLVILLE TRACTION Co., Bridgeton, N. J.,
C. L. S. Tingley, Secretary, Philadelphia, Pa.

BROCKTON & PLYMOUTH STREET RAILWAY Co.,
Plymouth, Mass.,
George E. Chase, Assistant Treasurer.

BUFFALO & LAKE ERIE TRACTION Co., Buffalo, N. Y.,
E. H. Stichel, Auditor.

BUTTE ELECTRIC RAILWAY Co., Butte, Mont.,
J. R. Wharton, Manager.

Member Companies and Their Accounting Officers. 213

CALUMET ELECTRIC STREET RAILWAY Co., Chicago, Ill.,
Ira M. Cobe, Receiver.

CAMDEN INTERSTATE RAILWAY Co., Huntington, W. Va.,
William C. Sproul, President.

CAPITAL TRACTION Co., Washington, D. C.,
R. D. Simms, Treasurer.

CEDAR RAPIDS & IOWA CITY RAILWAY & LIGHT Co.,
Cedar Rapids, Ia.,
Charles S. Woodward, Auditor.

CENTRAL PENNSYLVANIA TRACTION Co., Harrisburg, Pa.,
W. J. Calder, Secretary.

CHARLESTON CONSOLIDATED RAILWAY, GAS & ELECTRIC Co.,
Charleston, S. C.,
P. J. Balaguer, Auditor.

CHARLOTTE ELECTRIC RAILWAY, LIGHT & POWER Co.,
Charlotte, N. C.,
F. W. Garrett, Auditor.

CHICAGO & JOLIET ELECTRIC RAILWAY Co., Joliet, Ill.,
C. L. S. Tingley, Secretary., Philadelphia, Pa.

CHICAGO & MILWAUKEE ELECTRIC RAILROAD Co., Chicago, Ill.,
R. B. Stearns, General Manager.

CHICAGO CITY RAILWAY Co., Chicago, Ill.,
A. G. Mitten, Auditor.

CHICAGO UNION TRACTION Co., Chicago, Ill.,
F. E. Smith, Auditor.

CHILlicothe ELECTRIC RAILROAD, LIGHT & POWER Co.,
Chillicothe, O.,
A. G. Moser, General Manager.

CINCINNATI TRACTION Co., Cincinnati, O.,
W. H. McAlister, Comptroller.

CITIZENS' ELECTRIC Co., Eureka Springs, Ark.,
M. D. Jordan, General Manager.

CITIZENS' ELECTRIC STREET RAILWAY Co.,
Newburyport, Mass.,
Geo. A. Butman, Treasurer.

CLEVELAND ELECTRIC RAILWAY Co., Cleveland, O.,
H. J. Davies, Secretary.

CLEVELAND, PAINESVILLE & EASTERN RAILROAD Co.,
Willoughby, O.,
E. L. Schmock, Auditor.

CLEVELAND, SOUTHWESTERN & COLUMBUS RAILWAY Co.,
Cleveland, O.,
H. B. Cavanaugh, Auditor.

COLORADO SPRINGS & INTERURBAN RAILWAY Co.,
Colorado Springs, Colo.,
B. M. Lathrop, Superintendent.

COLUMBUS, DELAWARE & MARION RAILWAY Co.,
Columbus, O.,
A. F. Elkins, Auditor.

COLUMBUS, NEW ALBANY & JOHNSTOWN TRACTION Co.,
Columbus, O.,
L. P. Stephens Secretary.

COLUMBUS RAILROAD Co., Columbus, Ga.,
A. Stuart Pratt, Treasurer.

COLUMBUS RAILWAY & LIGHT Co., Columbus, O.,
P. V. Burington, Secretary.

CONCORD, MAYNARD & HUDSON STREET RAILWAY Co.,
Maynard, Mass.,
John W. Ogden, Secretary.

CONNECTICUT COMPANY (THE), New Haven, Conn.,
Calvert Townley, Vice-President.

CONSOLIDATED RAILWAYS LIGHT & POWER Co. (THE),
Wilmington, N. C.,
H. Woolcott, Secretary.

DALLAS CONSOLIDATED ELECTRIC STREET RAILWAY Co.,
Dallas, Tex.,
E. T. Moore, Secretary.

DANBURY & BETHEL STREET RAILWAY Co., Danbury, Conn.,
M. H. Griffing, Secretary.

DAYTON & TROY ELECTRIC RAILWAY Co., Dayton, O.,
R. A. Crume, General Auditor.

DAYTON & XENIA TRANSIT Co., Dayton, O.,
R. J. Wells, Auditor.

DAYTON, COVINGTON & PIQUA TRACTION Co.,
West Milton, O.,
Edward C. Spring, Manager.

DE KALB-SYCAMORE & INTERURBAN TRACTION Co.,
De Kalb, Ill.,
T. W. Manning, Accountant.

DENISON & SHERMAN RAILWAY Co., Denison, Tex.,
J. P. Crerar, President.

DENVER CITY TRAMWAY Co., Denver, Colo.,
W. A. Doty, Acting Auditor.

DES MOINES CITY RAILWAY Co., Des Moines, Ia.,
G. B. Hippee, General Manager.

DETROIT UNITED RAILWAY, Detroit, Mich.,
Irwin Fullerton, Auditor.

DULUTH STREET RAILWAY Co., Duluth, Minn.,
S. L. Reichert, Auditor.

EAST LIVERPOOL TRACTION & LIGHT Co. (THE),
East Liverpool, O.,
Edward McDonnell, Treasurer.

EASTON TRANSIT Co., Easton, Pa.,
E. B. Maltby, Auditor.

EAST ST. LOUIS & SUBURBAN RAILWAY Co.,
East St. Louis, Ill.,
L. C. Haynes, Vice-President.

EASTERN WISCONSIN RAILWAY & LIGHT Co.,
Fond du Lac, Wis.,
H. F. Whitcomb, Jr., Secretary.

ELGIN & BELVIDERE ELECTRIC Co., Chicago, Ill.,
W. L. Arnold, General Manager.

ELMIRA WATER, LIGHT & RAILROAD Co., Elmira, N. Y.,
H. M. Beardsley, Secretary.

EL PASO ELECTRIC RAILWAY Co., El Paso, Tex.,
C. W. Kellogg, Jr., Vice-President.

ENID CITY RAILWAY Co., Enid, Okla.,
E. T. Hall, Treasurer.

ERIE TRACTION Co., Erie, Pa.,
D. W. McDonald, Auditor.

EVANSVILLE & EASTERN ELECTRIC RAILWAY Co.,
Evansville, Ind.,
W. L. Sonntag, General Manager.

EVANSVILLE ELECTRIC RAILWAY Co., Evansville, Ind.,
R. R. Smith, General Manager.

FAIRMONT & CLARKSBURG TRACTION Co., Fairmont, W. Va.,
A. J. Purinton, General Manager.

FARMINGTON STREET RAILWAY Co., Hartford, Conn.,
Charles E. Hubbard, General Manager.

FISHKILL ELECTRIC RAILWAY Co., Fishkill-on-Hudson, N. Y.,
John T. Smith, Manager.

FITCHBURG & LEOMINSTER STREET RAILWAY Co.,
Fitchburg, Mass.,
Robert N. Wallis, Treasurer.

FONDA, JOHNSTOWN & GLOVERSVILLE RAILROAD Co.,
Gloversville, N. Y.
L. K. Brown, Auditor.

FORT WAYNE & SPRINGFIELD RAILWAY Co. (THE),
Decatur, Ind.,
M. H. Willson, Treasurer.

FORT WAYNE & WABASH VALLEY TRACTION Co.,
Fort Wayne, Ind.,
H. E. Vordermark, Auditor.

FRIES MANUFACTURING & POWER Co. (THE),
Winston-Salem, N. C.,
H. E. Fries, President.

GALESBURG & KEWANEE ELECTRIC RAILWAY Co.,
Kewanee, Ill.,
R. H. Hayward, General Manager.

GALVESTON ELECTRIC Co., Galveston, Tex.,
H. S. Cooper, General Manager.

GARDNER, WESTMINSTER & FITCHBURG STREET RAILROAD CO.,
Gardner, Mass.,
W. R. Dame, Auditor.

GEORGIA RAILWAY & ELECTRIC CO., Atlanta, Ga.,
G. W. Brine, Treasurer.

GRAND RAPIDS, HOLLAND & CHICAGO RAILWAY CO.,
Holland, Mich.,
Strathearn Hendrie, General Manager.

GRAND RAPIDS RAILWAY CO., Grand Rapids, Mich.,
Benj. S. Hanchett, General Manager.

GREAT FALLS STREET RAILWAY CO., Great Falls, Mont.,
T. C. Boal, Auditor.

GROTON & STONINGTON STREET RAILWAY CO., Mystic, Conn.,
Costello Lippitt, Treasurer.

HARTFORD & SPRINGFIELD STREET RAILWAY CO.,
Warehouse Point, Conn.,
E. B. Kidson, Auditor.

HELENA LIGHT & RAILWAY CO., Helena, Mont.,
C. E. A. Carr, Manager.

HOUGHTON COUNTY STREET RAILWAY CO., Houghton, Mich.,
W. H. McGrath, Manager.

HOUSTON ELECTRIC CO., Houston, Texas,
A. Stuart Pratt, Treasurer, Boston, Mass.

ILLINOIS CENTRAL TRACTION CO., Decatur, Ill.,
B. E. Bramble, Auditor.

INDIANA, COLUMBUS & EASTERN TRACTION CO.,
Cincinnati, Ohio,
M. W. Glover, Auditor.

INDIANA UNION TRACTION Co., Anderson, Ind.,
Walter Shroyer, Auditor.

INDIANAPOLIS & CINCINNATI TRACTION Co.,
Indianapolis, Ind.,
W. B. Wright, Auditor.

INDIANAPOLIS, COLUMBUS & SOUTHERN TRACTION Co.,
Columbus, Ind.,
Ira E. Guthrie, Auditor.

INDIANAPOLIS TRACTION & TERMINAL Co., Indianapolis, Ind.,
Joseph A. McGowan, Auditor.

INTERNATIONAL RAILWAY Co., Buffalo, N. Y.
D. M. Deininger, Auditor.

INTER-URBAN RAILWAY Co., Des Moines, Ia.,
Chas. L. Wight, General Auditor.

IOWA & ILLINOIS RAILWAY Co., Clinton, Iowa,
P. P. Crafts, General Manager.

JACKSON CONSOLIDATED TRACTION Co., Jackson, Mich.,
W. L. Shipp, Auditor.

JACKSON ELECTRIC RAILWAY, LIGHT & POWER Co.,
Jackson, Miss.,
R. H. Allis, Auditor.

JACKSONVILLE ELECTRIC Co., Jacksonville, Fla.,
A. Stuart Pratt, Treasurer, Boston, Mass.

JOLIET & SOUTHERN TRACTION Co., Joliet, Ill.,
L. D. Fisher, Treasurer.

JOPLIN & PITTSBURG RAILWAY Co., Pittsburg, Kans.,
P. P. Crafts, General Manager.

KANSAS CITY RAILWAY & LIGHT Co., Kansas City, Mo.,
J. A. Harder, Auditor.

KANSAS CITY-WESTERN RAILWAY Co. (THE),
Leavenworth, Kan.,
W. M. Bonar, Auditor.

KENNETH & COATESVILLE RAILROAD Co., Kennett Square, Pa.,
G. H. Dodge, Treasurer.

KINGSTON CONSOLIDATED RAILROAD Co., Kingston, N. Y.,
C. Gordon Reel, General Manager.

KNOXVILLE RAILWAY & LIGHT Co., Knoxville, Tenn.,
H. T. Bunn, Treasurer.

KOKOMO, MARION & WESTERN TRACTION Co., Kokomo, Ind.,
C. C. Trees, Auditor.

LAKE SHORE ELECTRIC RAILWAY Co., Norwalk, O.,
A. C. Henry, Auditor.

LAREDO ELECTRIC & RAILWAY Co. (THE), Laredo, Tex.,
J. H. Savage, Vice-President.

LAS VEGAS RAILWAY & POWER Co., Las Vegas, N. Mex.,
F. A. Barthels, Secretary.

LEHIGH TRACTION Co., Hazleton, Pa.,
C. J. Kirschner, Secretary.

LEHIGH VALLEY TRANSIT Co., Allentown, Pa.,
C. M. Walter, Auditor.

LEVIS COUNTY RAILWAY, Levis, Quebec,
F. W. Sharpe, Auditor.

LEXINGTON RAILWAY Co., Lexington, Ky.,
T. D. Murray, Secretary.

LIMA & TOLEDO TRACTION Co., Lima, O.,
M. W. Glover, Auditor.

LITTLE ROCK RAILWAY & ELECTRIC Co., Little Rock, Ark.,
D. A. Hegarty, Treasurer.

LONG ISLAND CONSOLIDATED ELECTRICAL Cos.,
Long Island City, N. Y.,
A. B. Bierck, Auditor.

LORRAINE ELECTRIC RAILWAY Co., Baltimore, Md.,
James M. Blackburn, Secretary.

LOUISVILLE & EASTERN RAILROAD Co., Louisville, Ky.,
H. H. Bullitt, Auditor.

LOUISVILLE & SOUTHERN INDIANA TRACTION Co.,
New Albany, Ind.,
R. W. Waite, Treasurer.

LOUISVILLE RAILWAY Co., Louisville, Ky.,
Sam'l. G. Boyle, Treasurer.

LYNCHBURG TRACTION & LIGHT Co., Lynchburg, Va.,
A. T. Powell, Cashier.

MAHONING & SHENANGO RAILWAY & LIGHT Co.,
New Castle, Pa.,
S. C. Rogers, Treasurer.

MANILA ELECTRIC RAILROAD & LIGHT Co., Manila, P. I.,
T. F. Wickham, Secretary and Treasurer, New York, N. Y.

MASON CITY & CLEAR LAKE RAILWAY Co., Mason City, Ia.,
F. J. Hanlon, Secretary.

MEMPHIS STREET RAILWAY Co., Memphis, Tenn.,
W. H. Burroughs, Secretary.

MENOMINEE & MARINETTE LIGHT & TRACTION CO.,
Menominee, Mich.,
Edward Daniell, Secretary.

MERIDIAN LIGHT & RAILWAY Co., Meridian, Miss.,
W. E. Terry, Secretary.

MEXICO ELECTRIC TRAMWAYS, LIMITED,
City of Mexico, Mexico,
Harro Harrsen, General Manager.

MICHIGAN UNITED RAILWAYS Co., Lansing, Mich.,
R. Morrison, Jr., Secretary.

MILFORD & UXBRIDGE STREET RAILWAY Co., Milford, Mass.,
J. E. Walker, Treasurer.

MILLVILLE TRACTION Co., Millville, N. J.,
George H. Thomas, Secretary.

MILWAUKEE ELECTRIC RAILWAY & LIGHT Co. (THE),
Milwaukee, Wis.,
C. N. Duffy, Comptroller.

MOBILE LIGHT & RAILROAD Co., Mobile, Ala.,
Zerah E. Watson, Secretary.

MONTREAL STREET RAILWAY Co., Montreal, Quebec,
Patrick Dubee, Secretary.

NAHANT & LYNN STREET RAILWAY Co., Lynn, Mass.,
Clifton Colburn, Treasurer.

NASHVILLE RAILWAY & LIGHT Co., Nashville, Tenn.,
H. C. Walters, Secretary.

NEW HAMPSHIRE ELECTRIC RAILWAYS, Haverhill, Mass.,
Saml. P. Russell, Auditor.

NEW JERSEY & HUDSON RIVER RAILWAY & FERRY Co.,
Edgewater, N. J.,
J. A. McCarthy, Auditor.

NEW ORLEANS RAILWAY & LIGHT Co., New Orleans, La.,
H. A. Ferrandou, Treasurer and Auditor.

NEWPORT NEWS & OLD POINT RAILWAY & ELECTRIC Co.,
Hampton, Va.,
Franz von Schilling, Auditor.

NEWTON & BOSTON STREET RAILWAY Co., Newtonville, Mass.,
Matthew C. Brush, General Manager.

NEW YORK & PORT CHESTER RAILROAD Co.,
New York, N. Y.,
James J. Reilly, Secretary.

NEW YORK & QUEENS COUNTY RAILWAY Co.,
New York, N. Y.,
I. M. Tritt, Auditor.

NEW YORK CITY RAILWAY Co., New York, N. Y.,
H. W. Brown, Comptroller.

NORFOLK & PORTSMOUTH TRACTION Co., Norfolk, Va.,
W. C. Baker, Auditor.

NORTHAMPTON TRACTION Co., Easton, Pa.,
D. L. Beaulieu, Superintendent.

NORTHERN INDIANA RAILWAY Co., South Bend, Ind.,
J. B. McCance, Treasurer.

NORTHERN OHIO TRACTION & LIGHT Co., Akron, O.,
Chas. H. Lahr, Auditor.

NORTHERN TEXAS TRACTION Co., Fort Worth, Tex.,
E. C. Reichardt, Assistant Treasurer.

OHIO RIVER ELECTRIC RAILWAY & POWER Co., Pomeroy, O.,
John B. McAfee, General Manager.

OKLAHOMA CITY RAILWAY Co., Oklahoma City, Okla.,
Henry M. Brauer, Secretary.

OLYMPIA LIGHT & POWER Co., Olympia, Wash.,
L. B. Faulkner, Manager.

OMAHA & COUNCIL BLUFFS STREET RAILWAY Co.,
Omaha, Nebr.,
R. A. Leussler, Secretary.

OMAHA, LINCOLN & BEATRICE RAILWAY Co., Lincoln, Nebr.,
E. C. Hurd, Secretary.

OTTAWA ELECTRIC RAILWAY Co., Ottawa, Ontario,
J. D. Fraser, Secretary.

Owosso & CORUNNA ELECTRIC Co., Owosso, Mich.,
Lawrence Manning, General Manager.

PACIFIC TRACTION Co., Tacoma, Wash.,
William Petrie, Auditor.

PADUCAH TRACTION Co., INC. (THE), Paducah, Ky.,
A. Stuart Pratt, Treasurer, Boston, Mass.

PENSACOLA ELECTRIC Co., Pensacola, Fla.,
R. G. Carroll, Assistant Treasurer.

PEOPLES RAILWAY Co. (THE), Dayton, O.,
C. L. S. Tingley, Secretary, Philadelphia, Pa.

PETALUMA & SANTA ROSA RAILWAY Co., Petaluma, Cal.,
W. G. Taylor, Auditor.

PETERBOROUGH RADIAL RAILWAY Co. (THE),
Peterborough, Ontario,
J. H. Larmouth, General Manager.

PHILADELPHIA & WEST CHESTER TRACTION CO.,
Philadelphia, Pa.,
C. L. Rihl, Treasurer.

PHILADELPHIA & WESTERN RAILWAY CO., Philadelphia, Pa..
Arthur E. Post, Auditor.

PHILADELPHIA RAPID TRANSIT CO., Philadelphia, Pa.,
Alex. Rennick, 3d Vice-President.

PITTSBURG & BUTLER STREET RAILWAY CO., Butler, Pa.,
G. F. Batchelor, Secretary.

PORTLAND RAILROAD CO., Portland, Me.,
E. A. Newman, General Manager.

PORTLAND RAILWAY CO., Portland, Ore.,
W. G. Milne, Auditor.

PORPSMOUTH, DOVER & YORK STREET RAILWAY CO.,
Portsmouth, N. H.,
A. D. Foster, Auditor.

POTTSVILLE UNION TRACTION CO., Pottsville, Pa.,
F. B. Lasher, Secretary.

**POUGHKEEPSIE CITY & WAPPINGERS FALLS ELECTRIC
RAILWAY CO., Poughkeepsie, N. Y.,**
J. W. Hinkley, Jr., President.

PROVIDENCE & DANIELSON RAILWAY CO., Providence, R. I.,
D. F. Sherman, President.

PUBLIC SERVICE RAILWAY CO., Newark, N. J.,
P. S. Young, Comptroller.

PUEBLO & SUBURBAN TRACTION & LIGHTING CO. (THE),
Pueblo, Colo.,
J. F. Vail, Treasurer.

QUINCY HORSE RAILWAY & CARRYING CO., Quincy, Ill.,
W. J. Achelohl, Auditor.

RALEIGH ELECTRIC CO., Raleigh, N. C.,
H. H. Dalton, Auditor.

RHODE ISLAND CO. (THE), Providence, R. I.,
R. W. Shepherd, Comptroller.

RICHMOND & PETERSBURG ELECTRIC RAILWAY CO.,
Richmond, Va.,
R. H. Keim, General Auditor.

RICHMOND LIGHT & RAILROAD CO., New Brighton, N. Y.,
T. B. Bradley, Auditor.

ROANOKE RAILWAY & ELECTRIC CO., Roanoke, Va.,
John W. Hancock, General Manager.

ROCHESTER RAILWAY CO., Rochester, N. Y.,
J. C. Collins, Auditor.

ROCKFORD & INTERURBAN RAILWAY CO., Rockford, Ill.,
F. W. McAssey, Auditor.

ROCK ISLAND SOUTHERN RAILROAD CO., Monmouth, Ill.,
W. W. McCullough, General Manager.

ROCKLAND, THOMASTON & CAMDEN STREET RAILWAY CO.,
Rockland, Me.,
A. D. Bird, Treasurer.

RUTLAND RAILWAY, LIGHT & POWER CO., Rutland, Vt.,
David Fox, General Manager.

SAGINAW VALLEY TRACTION CO., Saginaw, Mich.,
S. E. Wolff, General Manager.

Member Companies and Their Accounting Officers. 227

ST. JOSEPH RAILWAY, LIGHT, HEAT & POWER CO.,
St. Joseph, Mo.,
Chas. E. Foster, Auditor.

SAN ANTONIO TRACTION Co., San Antonio, Texas,
C. J. Thomas, Auditor.

SAN DIEGO ELECTRIC RAILWAY Co., San Diego, Cal.,
A. H. Kayser, General Auditor.

SAN JUAN LIGHT & TRANSIT Co., San Juan, Porto Rico,
Lloyd Lyon, Assistant Treasurer.

SAVANNAH ELECTRIC Co., Savannah, Ga.,
R. H. Easton, Assistant Treasurer.

SCHENECTADY RAILWAY Co., Schenectady, N. Y.
Fred. Ruby, Auditor.

SCIOTO VALLEY TRACTION Co. (THE), Columbus, O.,
F. K. Young, Auditor.

SCRANTON RAILWAY Co., Scranton, Pa.,
C. L. S. Tingley, Treasurer, Philadelphia, Pa.

SEATTLE ELECTRIC Co. (THE), Seattle, Wash.,
Frank Dabney, Assistant Treasurer.

SHEBOYGAN LIGHT, POWER & RAILWAY Co., Sheboygan, Wis.,
Aug. Westermeyer, Auditor.

SIOUX CITY TRACTION Co., Sioux City, Ia.,
J. Henry Ricker, Treasurer.

SOUTH CHICAGO CITY RAILWAY Co., Chicago, Ill.,
W. R. Gaither, Auditor.

SOUTHERN WISCONSIN RAILWAY Co., Madison, Wis.,
Warren Montgomery, Secretary.

SOUTH SHORE TRACTION Co., New York, N. Y.,
A. C. Hume, Secretary.

SOUTH-WESTERN TRACTION Co., London, Ontario,
H. R. Skirving, Auditor.

SOUTHWEST MISSOURI RAILROAD Co., Webb City, Mo.,
W. E. McMechan, Auditor.

SPOKANE TRACTION Co., Spokane, Wash.,
H. B. Ferris, Treasurer.

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David Young, Jr., General Manager.

YOUNGSTOWN & SOUTHERN RAILWAY Co., Youngstown, O.;
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HONORARY MEMBERS.

HIGGINS, E. E., New York, N. Y.

WINDSOR, H. H., Chicago, Ill.

MACKAY, H. C., Norfolk, Va.

STREET RAILWAY JOURNAL, New York, N. Y.

ELECTRIC RAILWAY REVIEW, Chicago, Ill.

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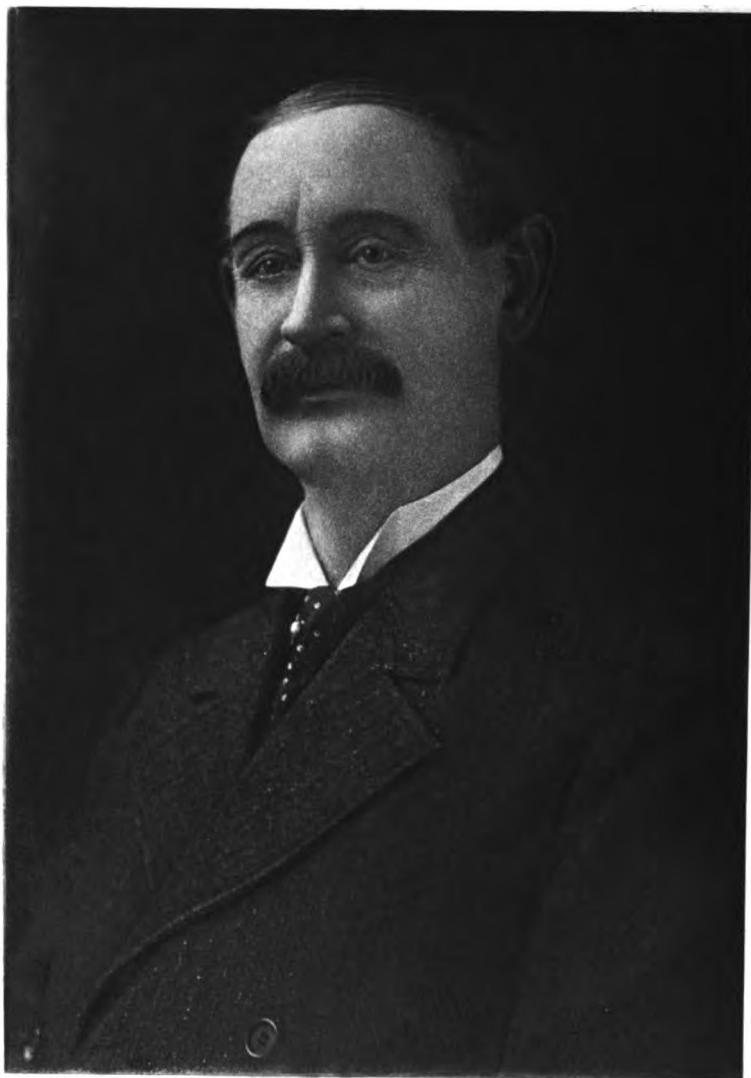
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H. C. Browne

**ACTING-PRESIDENT 1906—1907
HENRY C. BRADLEY, CLAIM AGENT
CHICAGO UNION TRACTION COMPANY
CHICAGO, ILL.**

PROCEEDINGS

OF THE

AMERICAN STREET AND INTERURBAN RAILWAY

CLAIM AGENTS' ASSOCIATION

1907

CONTAINING A COMPLETE REPORT
OF THE FOURTH ANNUAL CONVEN-
TION HELD AT THE ST. CHARLES
HOTEL, ATLANTIC CITY, N. J.,
OCTOBER, 14, 15, 16, 1907

PUBLISHED BY THE
AMERICAN STREET AND INTERURBAN RAILWAY ASSOCIATION
FROM THE OFFICE OF THE SECRETARY
29 WEST 39TH STREET, NEW YORK, N. Y.

**THE NAME OF THIS ASSOCIATION WAS FORMERLY THE
STREET RAILWAY CLAIM AGENTS ASSOCIATION OF
AMERICA.**

ORGANIZED AT ST. LOUIS, MO., OCTOBER 12 AND 13, 1904.

REORGANIZED AT PHILADELPHIA, PA., SEPTEMBER 26, 1905.

J. B. LYON COMPANY, PRINTERS, ALBANY, N. Y.

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OFFICERS, 1906-07.

(Officers of the 1907 Convention.)

ACTING PRESIDENT:

HENRY C. BRADLEY,

Claim Adjuster, Chicago Union Traction Co.,
CHICAGO, ILL.

SECOND VICE-PRESIDENT:

ANDREW J. FARRELL,

Claim Agent, International Railway Co.,
BUFFALO, N. Y.

THIRD VICE-PRESIDENT:

W. F. WEH,

Claim Agent, Cleveland Electric Railway Co.,
CLEVELAND, OHIO.

SECRETARY-TREASURER:

B. B. DAVIS.

Claim Adjuster, Columbus Railway & Light Co.,
COLUMBUS, OHIO.

EXECUTIVE COMMITTEE:

THE OFFICERS AND

CHARLES B. HARDIN, Claim Agent, United Railways Co. of St.
Louis, St. Louis, Mo.
PETER C. NICKEL, Claim Agent, New York City Railway Co.,
New York, N. Y.
F. W. JOHNSON, Assistant General Claim Agent, Philadelphia,
Rapid Transit Co., Philadelphia, Pa.
E. C. CARPENTER, Claim Adjuster, Indiana Union Traction Co.
Anderson, Ind.
W. H. RENAUD, JR., Claim Agent, New Orleans Railway &
Light Co., New Orleans, La.

OFFICERS, 1907-08.

(Elected at the 1907 Convention.)

PRESIDENT:

H. R. GOSHORN,

General Claim Agent, Philadelphia Rapid Transit Co.,
PHILADELPHIA, PA.

FIRST VICE-PRESIDENT:

ANDREW J. FARRELL,

Claim Agent, International Railway Co.,
BUFFALO, N. Y.

SECOND VICE-PRESIDENT:

W. F. WEH,

Claim Agent, Cleveland Electric Railway Co.,
CLEVELAND, O.

THIRD VICE-PRESIDENT:

J. S. HARRISON,

Claim Agent, Jacksonville Electric Co.,
JACKSONVILLE, FLA.

SECRETARY-TREASURER:

B. B. DAVIS,

Claim Adjuster, Columbus Railway & Light Co.,
COLUMBUS, O.

EXECUTIVE COMMITTEE:

THE OFFICERS AND

PETER C. NICKEL, Claim Agent, New York City Railway Co.,
New York, N. Y.
CHARLES B. HARDIN, Claim Agent, United Railways Co., of
St. Louis, St. Louis, Mo.
E. C. CARPENTER, Claim Adjuster, Indiana Union Traction Co.
Anderson, Ind.
EUGENE R. ROBERTS, Claim Agent Knoxville Railway & Light Co.,
Knoxville, Tenn.

COMMITTEES, 1906-7.

Committee on Employment:

B. B. DAVIS, Columbus, Ohio.
H. V. DROWN, Newark, N. J.
H. R. GOSHORN, Philadelphia, Pa.

Committee on Ways and Means:

C. WILLIS HARE, Philadelphia, Pa.
G. F. PIERCE, Galveston, Texas.
WILLIAM TICHENOR, Indianapolis, Ind.
M. S. RAUSCH, Milwaukee, Wis.

PRESIDENTS OF THE ASSOCIATION SINCE ORGANIZATION.

1904-05.....	W. A. Dibbs.
1905-06.....	S. L. Rhoades.
1906-07.....	{S. L. Rhoades. H. C. Bradley.
1907-08.....	H. R. Goshorn.

CONVENTIONS OF THE ASSOCIATION SINCE ORGANIZATION.

1904.....	St. Louis, Mo.....	October 12.
1905.....	Philadelphia, Pa.....	September 26.
1906.....	Columbus, O.....	October 15-17.
1907.....	Atlantic City, N. J.....	October 14-16.

OFFICERS SINCE ORGANIZATION.

OFFICERS, ORGANIZATION MEETING.

(Street Railway Claim Agents' Association of America.)

President:

W. A. DIBBS,

Claim Agent New York City Railway Company, New York, N. Y.

Vice-President:

Secretary and Treasurer:

E. W. O'CONNOR,

B. B. DAVIS,

Claim Agent Savannah Electric Co., Claim Agent Columbus Railway and
Savannah, Ga. Light Co., Columbus, Ohio.

EXECUTIVE COMMITTEE:

The Officers and

W. H. Renaud, Jr., Claim Agent New Orleans Railway Co.....New Orleans, La.

*Wm. White, Claim Agent Chicago City Railway Co.....Chicago, Ill.

*J. P. Feeney, Claim Agent Public Service Corp. of New Jersey....Newark, N. J.

Elected at St. Louis, Mo., October 12, 1904.

OFFICERS, 1905-1906.

(American Street and Interurban Railway Claim Agents' Association.)

President:

S. L. RHOADES,

Chief Claim Agent Philadelphia Rapid Transit Company, Philadelphia, Pa.

First Vice-President:

E. W. O'CONNOR,

Claim Agent Savannah Electric Co., Claim Agent International Railway Co.,
Savannah, Ga. Buffalo, N. Y.

Third Vice-President:

ANDREW J. FARRELL,

Second Vice-President:

HENRY C. BRADLEY,

Claim Agent Chicago Union Traction Claim Agent Columbus Railway and
Co., Chicago, Ill. Light Co., Columbus, Ohio.

Secretary and Treasurer:

B. B. DAVIS,

EXECUTIVE COMMITTEE:
The Officers and
James R. Pratt, Asst. Gen. Mgr. United Railways and Electric Co., Baltimore, Md.
W. H. Renaud, Jr., Claim Agent New Orleans Railway and Light Co., New Orleans, La.
H. V. Drown, Claim Agent The Rhode Island Co..... Providence, R. I.
Elected at Philadelphia, Pa., September 26, 1906.

* Deceased.

CONVENTION PROGRAM.

(Atlantic City, N. J., October 14, 15 and 16, 1907.)

Monday—9 00 A M to 12 30 P M

Registration and Badges (Steel Pier).

Monday—2 00 P M to 4 30 P M

Convention Called to Order.

Address—John I. Beggs, President, American Street and Interurban Railway Association.

Address of Acting President.

Annual Report of Executive Committee.

Annual Report of Secretary-Treasurer.

Appointment of Convention Committees.

Tuesday—10 00 A M to 12 30 P M

PAPER—"The Policy of the Claim Department to the Injured Employee," by R. H. Schoenen, Claim Agent, Lehigh Valley Transit Co., Allentown, Pa.

PAPER—"The Claim Agent of To-day and His Work," by H. K. Bennett, Claim Agent, Fitchburg & Leominster Street Railway Co., Fitchburg, Mass.

PAPER—"How I Manage Bad Cases," by Harry P. Vories, Claim Agent, Pueblo & Suburban Traction & Lighting Co., Pueblo, Col.

Tuesday—2 00 P M to 4 30 P M

PAPER—"The Selecting and Training of Investigators and Adjustors for the Claim Department," by Ellis C. Carpenter, Claim Adjuster, Indiana Union Traction Co., Anderson, Ind.

Question Box.

(Three Minutes Allowed to each Member to discuss a question.)

Wednesday—9 30 A M to 1 00 P M

Joint Meeting with American Association (Steel Pier).

Wednesday—2 30 P M to 5 30 P M

PAPER—"The Claim Department and What Should Be Done to Make It Effective," by C. B. Hardin, Claim Agent, United Railways Co. of St. Louis, St. Louis, Mo.

PAPER—"Instruction of Employees in Accident Work," by F. W. Johnson, Assistant General Claim Agent, Philadelphia Rapid Transit Co., Philadelphia, Pa.

General Business.

Election of Officers.

REGISTRATION AT THE ATLANTIC CITY CONVENTION.

DELEGATES OF MEMBER COMPANIES.

ALTOONA & LOGAN VALLEY ELECTRIC RAILWAY CO.:

Hare, S. P., Claim Agent.

BOSTON ELEVATED RAILWAY CO.:

Sears, Russell A., General Attorney,
Spillane, Maurice P., Claim Agent.

CAPITAL TRACTION CO.:

Dunlop, G. Thos., Assistant Attorney.

CHICAGO UNION TRACTION CO.:

Bradley, H. C., Claim Adjuster.

CLEVELAND ELECTRIC RAILWAY CO.:

Weh, W. F., Claim Agent.

COLUMBUS RAILWAY & LIGHT CO.:

Davis, B. B., Claim Adjuster.

CONCORD, MAYNARD & HUDSON STREET RAILWAY CO.:

Ogden, John W., Claim Agent.

DANBURY & BETHEL STREET RAILWAY CO.:

Griffing, M. H., Claim Agent.

DENVER CITY TRAMWAY CO.:

Dorsey, S. C., Claim Agent.

DULUTH STREET RAILWAY CO.:

Wood, Thos. S., Claim Agent.

ENID CITY RAILWAY CO.:

Manuel, E., Counsel.

FITCHBURG & LEOMINSTER STREET RAILWAY CO.:

Bennett, H. K., Claim Agent.

GEORGIA RAILWAY & ELECTRIC CO.:

Mathews, C. H., Claim Agent.

INDIANA UNION TRACTION CO.:

Carpenter, E. C., Claim Agent.

INDIANAPOLIS & CINCINNATI TRACTION CO.:

Frazee, W. M., Claim Adjuster.

INTERNATIONAL RAILWAY CO.:

Farrell, A. J., Claim Agent.

JACKSONVILLE ELECTRIC CO.:

Harrison, J. S., Claim Agent.

KNOXVILLE RAILWAY & LIGHT CO.:

Roberts, Judge E. R., Assistant Attorney.

LAKE SHORE ELECTRIC RAILWAY CO.:

Rimelspanch, H. G., Claim Agent.

LEHIGH VALLEY TRANSIT CO.:

Schoenen, R. H., Claim Agent.

*Registration at 1907 Convention.**Delegates of Member Companies—(Continued).*

LOUISVILLE & SOUTHERN INDIANA TRACTION CO.:

Scott, C. B., Claim Agent.

MEMPHIS STREET RAILWAY CO.:

Proctor, C. B., Claim Agent.

MICHIGAN UNITED RAILWAYS CO.:

Hobin, M. J., Claim Agent.

MILWAUKEE ELECTRIC RAILWAY & LIGHT CO.: THE

Rausch, M. E., Claim Agent,

Lemon, Dr. C. H., Surgeon.

NASHVILLE RAILWAY & LIGHT CO.:

Jackson, R. F., Attorney.

Harmon, Kinney, Claim Agent,

NEW YORK CITY RAILWAY Co.:

Nickel, P. C., Claim Agent.

NORFOLK & PORTSMOUTH TRACTION CO.:

Taylor, Walter K., Attorney.

NORTHAMPTON TRACTION CO.:

Brunner, C. B., Claim Agent.

PHILADELPHIA RAPID TRANSIT CO.:

Goshorn, H. R., General Claim Agent,

Johnson, F. W., Assistant General Claim Agent,

Neece, F. W., Claim Adjuster,

Rickert, Horace, Claim Adjuster.

PUBLIC SERVICE RAILWAY Co.:

Drown, H. V., General Claim Agent,

Perrin, R. E., Claim Agent,

Cushing, E. L., Claim Agent,

Walsh, G. L., Claim Agent,

Farwell, E. A. Claim Agent,

Joyce, J. E., Claim Agent,

Rudderow, R. W., Claim Agent.

SCHENECTADY RAILWAY Co.:

Brown, F. A., Claim Agent.

SOUTHWEST MISSOURI RAILROAD Co.:

Gunsalus, S. W., Claim Agent.

SYRACUSE RAPID TRANSIT RAILWAY Co.:

Ryan, Dr. F. J., Claim Agent.

TERRE HAUTE, INDIANAPOLIS & EASTERN TRACTION Co.:

Tichenor, William, Claim Agent.

UNITED RAILWAYS Co., OF ST. LOUIS:

Hardin, C. B., General Claim Agent.

UTICA & MOHAWK VALLEY RAILWAY Co.:

McDougall, R. E., Claim Agent.

WASHINGTON RAILWAY & ELECTRIC Co.:

Whitehead, F. J., Claim Agent.

WHEELING TRACTION Co.:

Lipphardt, Louis, Claim Agent.

MINUTES
OF THE
1907 CONVENTION.

MONDAY AFTERNOON SESSION.

OCTOBER 14, 1907.

The fourth annual convention of the American Street and Interurban Railway Claim Agents' Association, was called to order at 2:00 P. M., by Acting President Henry C. Bradley, of Chicago, Ill., at the St. Charles Hotel, Atlantic City, N. J.

ACTING PRESIDENT BRADLEY:—The first order of business is the address of Mr. John I. Beggs, president of the American Association, but he not being here, the next order of business will be the address of the acting president.

ADDRESS OF THE ACTING PRESIDENT.

GENTLEMEN:—It devolves upon me, as the acting president of your association, to make a few remarks on the assembling of the association for its fourth annual convention. There is something appropriate in the coming of claim agents to Atlantic City. This city is far famed as the place of rendezvous of persons who are able and wish to spend money lavishly. There is no class of persons, probably, who spend more lavishly than claim agents, not because they wish to, but because they cannot help it. They will find here an atmosphere very similar to that which prevails in their offices when business is going full blast.

The problem with which we, as claim agents, are compelled to wrestle is a growing one. It is hardly strong enough to speak of it as a growing problem. It is leaping up like Jack's famous bean stalk. In my own city, not only is the number of claims per annum increasing very rapidly, but there is a very constantly increasing difficulty experienced to successfully resist fraudulent claims in the courts. We have to contend, not only with the ordinary prejudice which exists against corporations—in itself no small matter—but with an added prejudice, a specific feeling of hostility to our street railway companies. This has grown out of the long agitation concerning franchises, in the course of which the clamor of the public, political demagogues and newspapers has been directed against our companies.

And I am advised that the problem is becoming more difficult in the other cities covered by our association. To mention just one example. You are all, doubtless, familiar with the report of the Philadelphia Rapid Transit Company, recently published, which shows that the enormous increase in money expended on personal injury claims, running progressively through several years, has, at last, caused a deficit in the finances of the company. The report shows that the personal injury expense has increased during the last few years from about 2.5 per cent. of gross receipts to about 7 per cent.

This situation shows the continued need for our organization, and admonishes us that its work should be more thoroughly organized and effective than ever before.

The history of this association proves that it has been of immense value to its members along two lines, the one theoretical and the other intensely practical. The discussions and interchange of views which have taken place at our conventions, and the question box department, have enabled every member to keep abreast with the most wide-a-wake and progressive theories which have been worked out by the individual members. In one sense, this branch of our work is theoretical but, after all, it has great and direct practical value in the increased efficiency with which we are enabled to handle our departments.

But the intensely and directly practical advantage which I had in mind is this. There has been developed within the past few years what may be called the personal injury tramp. He goes from city to city. He usually has some personal deformity which can be made of considerable value as a personal injury asset. In the beginning of his experience, he sometimes suffers an injury more or less serious, and succeeds in collecting from a street railway company, either by settlement or litigation, a considerable sum of money. Then the idea occurs to him that, by going to different cities, he can assess his injuries and infirmities against a number of street railway companies in succession. The temptation is great to thus reap harvest after harvest of easy money. I have noted in a large number of records in our cases, which bear the ear marks of being "fake" cases, that the testimony of the claimant himself shows that he has lived in a number of other cities before coming to Chicago, and often his residence there, at the time of the claimed accident, has been very brief.

Now, it is apparent that, if this association can ferret out and defeat only a few of such claims per year, thus saving a few verdicts and judgments which run into thousands of dollars each, the entire expenditure of time, labor and money in keeping up this association and holding its conventions has been saved in the result of those few cases alone. I would make this suggestion: in the first investigation of the case, when it is an easy matter to get at the facts, and when the sources of information have not yet been sealed up by the skillful personal injury lawyer, it would be well to investigate closely how long the claimant has lived in the city where the claim has been

presented, and also what other cities he has lived in for a number of years previously. If we do this in all cases and then promptly communicate with the members of our association in other cities, we might find that the personal injury tramp has prosecuted his calling to an extent which is appalling and beyond our belief.

There are other questions in which we are vitally interested and which will come before us during the session which I might touch upon in this address, but I shall not enter upon them, believing that the chief excellence of a president's address is brevity. Such questions will receive the attention which they require when reached in the due course of discussion.

At our last convention we re-elected Mr. S. L. Rhoades, president. He, subsequently, severed his connection with the Philadelphia Rapid Transit Company, and by leaving that service, his duties as, president ceased. On March 28 last, he sent his resignation to the executive committee.

Mr. Rhoades was an energetic man as a claim agent, affable and thoroughly up to date. And as a body, we have lost a strong member and a good officer; as individuals, a good friend. In whatever field he may enter, I wish him well.

We must thank the officers of the American organization for the continued support and cordial treatment we have received from them during the year.

In conclusion, I desire to thank the officers and members of this association for their hearty cooperation, and for the harmony which has made the past year one of the most successful in our history.

Gentlemen, the next order of business is the annual report of the executive committee.

ANNUAL REPORT OF THE EXECUTIVE COMMITTEE TO THE FOURTH ANNUAL CONVENTION.

To the Members of the American Street and Interurban Railway Claim Agents' Association:

Your executive committee begs leave to report that during the year just closed there has been some changes in the personnel of the officers of the association on account of the resignation of Mr. S. L. Rhoades, president.

On December 31, 1906, Mr. Rhoades resigned his position as general claim agent with the Philadelphia Rapid Transit Co., and went in the employ of a casualty company. Under the ruling as laid down at the first meeting of the Claim Agents' Association in St. Louis, 1904, that resignation would preclude Mr. Rhoades acting as president. However, he continued in office until March 28, 1907.

On February 7th, the secretary mailed to the members of the executive committee a list of questions for them to answer, which were in relation to Mr. Rhoades acting as president. Question 1:

"Should the duty of president devolve upon the first vice-president?" and Question 2: "Should Mr. Rhoades continue until the next annual meeting?" were answered by a majority of the committee voting "Yes" on Question No. 1.

Previous to notifying the member companies of the executive committee's action Mr. Rhoades forwarded his resignation to the secretary.

Notice of Mr. Rhoades' resignation and the elevation of Mr. H. C. Bradley, first vice-president to acting president, was sent out to the member companies.

On or about April 14, 1907, Mr. F. W. Johnson of the executive committee of the Claim Agents' Association, represented this body at a meeting of the executive committee of the parent organization at Atlantic City for the purpose of looking over the surroundings with a view of holding the annual meeting at that place.

Mr. Johnson made a full report of what was done, to the secretary, and also to limiting the Question Box to twelve or fifteen questions.

Also deciding that the St. Charles Hotel should be the headquarters for the claim agents.

On May 20th, Mr. Peter C. Nickel, one of the members of the executive committee, attended a meeting on subjects and programs, held at the headquarters of the American Street and Interurban Railway Association in New York, which adopted the program as announced for this convention.

Also at this meeting Mr. G. L. Estabrook of Philadelphia presented a paper on "Penalizing the Shyster." It was decided by the committee that that subject should be taken up by the Claim Agents' Association at this meeting.

On May 20th, there was a meeting of the executive committee of the parent organization in New York, but through a misunderstanding there was no representative of the executive committee of the Claim Agents' Association, consequently we cannot give any information as to what transpired, but understand that it was simply routine work.

The secretary informed the chairman of this committee that he had received satisfactory replies for papers for this convention from Mr. F. W. Johnson of the Philadelphia Rapid Transit Co.; Mr. Charles B. Hardin of the United Railways Co., of St. Louis; Mr. R. H. Schoenen of the Lehigh Valley Transit Co.; Mr. E. C. Carpenter of the Indiana Union Traction Co., and Mr. H. K. Bennett of the Fitchburg & Leominster Street Railway Co. Mr. H. P. Vories of the Pueblo & Suburban Traction & Lighting Co. consented to write a paper, but up to September 30th it had not been received by the secretary.

Mr. A. H. Moore, of the Public Service Railway Co. consented to write a paper on the subject: "The Doctor," but having resigned his position as claim agent he was precluded from responding.

Mr. W. H. Renaud, Jr., of the New Orleans Railway & Light Co., was appointed a member of the executive committee to fill the vacancy caused by the retirement of Mr. Rhoades.

By a majority vote of the executive committee the salary of the secretary was increased to \$600 per year.

Respectfully submitted,

H. C. BRADLEY, *Chairman.*

ACTING PRESIDENT BRADLEY:—The next order of business is the report of the secretary-treasurer.

**ANNUAL REPORT OF THE SECRETARY-TREASURER FOR
THE YEAR ENDING SEPTEMBER 30, 1907.**

GENTLEMEN.—As secretary of the American Street and Interurban Railway Claim Agents' Association, I wish to make the following report:

From October 1, 1906, to September 30, 1907, I received 400 letters and answered all of them.

I sent out on October 22, 1906, a circular letter with the lists of officers elected and committees appointed by the president at the last annual convention in Columbus, Ohio, to all member companies.

October 27, 1906, I mailed to all member companies a circular letter touching on the Question Box, with the request for subjects for the papers for this convention.

On November 13, 1906, I sent out a warning letter from the Cincinnati Traction Co., regarding Dr. W. G. French and wife.

November 23, 1906, I sent out a warning circular from the Metropolitan Railway Co., Kansas City, Mo., regarding Mrs. Mamie Hudon and Frank Hudon, her husband.

December 12, 1906, I sent out a warning circular from the East St. Louis & Suburban Railway Co., East St. Louis, Ill., regarding R. Langdeau.

January 22, 1907, I sent out a warning circular regarding Carl O. F. Nordlander, or C. F. Nordlangder, as reported by the Philadelphia Rapid Transit Co.

March 30, 1907, I sent to member companies a circular asking for questions for the Question Box; also blanks for it.

March 30, 1907, I also sent out a circular announcing the retirement of Mr. Rhoades as president of the association, and also on the same date a circular from H. C. Bradley, acting president, announcing his elevation to that position. Also the appointment of W. H. Renaud, Jr., as a member of the executive committee; also that F. W. Johnson, having been appointed assistant claim agent of the Philadelphia Rapid Transit Co., would represent that company on the committee.

On April 22, 1907, I sent out a warning circular regarding Abel Hassan, a Turk, and A. D. Magarien, interpreter, and Lloyd B. Walcutt, attorney, for the East St. Louis & Suburban Railway Co., East St. Louis, Ill.

On May 18th, I sent out questions for the Question Box; also envelopes for reply.

On May 23, 1907, I sent out a warning letter regarding Miss Anna O'Neil, a book agent, for the International Railway Co. of Buffalo.

On June 10, 1907, I sent out a warning letter regarding Wm. von Westorp, alias Wm. Lewis, for the Boston Elevated Railway Co., Boston, Mass.

On June 22, 1907, I sent out postal cards to all member companies requesting their answers for the Question Box.

On September 21, 1907, I sent out postal cards to all member companies regarding the annual meeting; also notifying them of the headquarters of the claim agents.

I arranged with Messrs. R. H. Schoenen, H. K. Bennett, Ellis C. Carpenter, F. W. Johnson and H. P. Vories for papers for this convention. The first five were received in time to be printed, but Mr. Vories' paper was delayed on account of illness.

I also arranged the answers to the questions for the Question Box, and forward them to Mr. B. V. Swenson, secretary-treasurer of the American Street and Interurban Railway Association, to be printed, and also all papers received.

During the year I was in correspondence with the Brisbane Tramways Company (Limited), Brisbane, Australia, and forwarded it a report of the annual convention held in Columbus, and received its acknowledgment with thanks.

Respectfully submitted,

(Signed) B. B. DAVIS,
Secretary.

CASH STATEMENT.

Receipts.

Cash on hand September 30, 1906.....	\$33 24
Received from B. V. Swenson, treasurer American	
Street and Interurban Railway Association.....	900 00
Received from convention photos.....	22 00

	\$955 24

Expenses.

B. B. Davis, secretary and treasurer, salary.....	\$600 00
S. L. Rhoades, expense account.....	50 55
E. S. Behm, stenographer for S. L. Rhoades, presi-	
dent	82 95
C. A. Swartz, stenographer for secretary.....	61 10
L. M. Jones & Co., photographer.....	30 00
Spahr & Glenn, printing.....	53 00
C. E. Bentz (special).....	7 00
Expense: Postage, expressage, telegrams.....	61 38
Balance in bank, October 1, 1907.....	9 26

	\$955 24

Respectfully submitted,

(Signed) B. B. DAVIS,
Secretary and Treasurer.

Approved:

(Signed) HENRY C. BRADLEY,
Acting President.

MR. HARDIN:—I move that the minutes of the previous meeting be received without having been read. We who were present at that session know what they are and we have also seen them in the annual proceedings.

ACTING PRESIDENT BRADLEY:—It is moved that the minutes of the proceedings of the last session of the Claim Agents' Association be received as printed.

Motion seconded and carried.

MR. BENNETT:—I move the report of the secretary-treasurer be accepted and placed on file.

Motion seconded and carried.

SECRETARY DAVIS:—As chairman of the Employment Committee; I beg to report that the employment committee has received applications for placement from five persons who desire employment.

While the committee have these applications, there has been no request from any company desiring claim agents.

MR. FARRELL:—Do I understand that there are four or five of those men looking for positions?

SECRETARY DAVIS:—Yes, sir.

MR. CARFENTER:—I move you Mr. President that any company that may make application to the secretary saying that it is in need of an adjuster or investigator shall be furnished with the names.

Motion duly seconded and carried.

SECRETARY DAVIS:—The following is the resignation of Mr. S. L. Rhoades:

"ATLANTIC CITY, N. J.,

28th March, 1907.

*"To Executive Committee American Street and Interurban Railway
Claim Agents' Association, Columbus, Ohio:*

"GENTLEMEN:—I am not at present associated with any railway company connected with or member of the American Street and Interurban Railway Association, and therefore tender my resignation as president of American Street and Interurban Railway Claim Agents' Association.

"Permit me to thank the members of your committee, as well as those of all committees, the officers of the association and especially your worthy secretary and treasurer, for the loyal and efficient support rendered during my administration. Wishing the association continued prosperity, believe me,

"Yours truly,

"(Signed)

S. L. RHOADES."

MR. BENNETT:— I move you that the secretary be instructed to send a note of thanks to Mr. Rhoades for his services as president of the association.

Motion seconded and carried.

ACTING PRESIDENT BRADLEY:— Mr. Beggs, the president of the American Street and Interurban Railway Association, is here now and we will listen to his address.

MR. BEGGS' ADDRESS.

MR. PRESIDENT AND GENTLEMEN:— It affords me pleasure, gentlemen, to see here at this opening session of the Claim Agents' Association a number so greatly in excess of that which I had the pleasure of addressing twelve months ago.

I am glad to see the interest manifested on the part of the various member companies of the American Street and Interurban Railway Association, which has induced them to send so many of you gentlemen here to meet together at least once a year and exchange experiences as to how best to counteract the efforts of the "ambulance-chaser" and the various attorneys in every community who are attempting to make a large number of people believe they are badly injured whether they are or not.

I feel particularly interested in the welfare of the Claim Agents' Association because through you gentlemen trickles away from the treasury of the company a very considerable amount of money, and very often it does not trickle away, but it goes in streams. Your work is not technical, like that of the engineers, but must be largely the result of tact, good judgment and a knowledge of human nature.

You cannot lay down a standard method to settle damages, as can the engineers for the best way of building a track so it will stand the greatest amount of wear. You must try every case upon its merits and according to the peculiarities of those with whom you are dealing. Therefore it is highly essential that a claim agent should be tactful and never lose his temper.

I don't know that there is much that one can say to a gathering of claim agents other than to commend these annual gatherings. I think if more of the companies would permit the heads of their claim departments to make occasional visitations between the various companies, in order that they might sit down in each other's offices and exchange experiences and see the method of dealing with the claims of these various companies, that the companies would save many times more than the cost of these visitations back and forth.

The general public will often applaud one who has shown sufficient skill to defraud one of our companies in an injury or damage case. It is very difficult indeed for the company to obtain any fair degree of justice in any court of the land. This is evidenced by the number

of times the judges of the various courts are compelled, in the line of justice, to set aside the verdicts of juries, and in many cases to cut down the amounts awarded very greatly, or have the verdicts set aside, unless the plaintiff agrees to have these amounts cut down.

Therefore, my advice to the claim department of any company is to try to keep as many cases as possible out of the courts. Do not permit them to get to the courts. I am well aware that what I am about to say is directly the opposite of the policy pursued by many of the companies throughout the country. The policy which I impress upon the claim departments of our companies is, first, to get all of the evidence, not only that which is favorable but that which is not. Very many times companies are subjected to great and unnecessary expense, simply because the investigators in the claim department get the favorable side of an accident case and rest upon that, and the attorneys prepare their evidence based upon these one-sided facts. I lay down the fundamental principle that while it is highly important to get all the favorable conditions, it is quite as important—in fact more important to me—to get the worst side of the case in order that the executive head of the company, when the case comes up to him, may be enabled to determine whether the case ought to be settled, or whether it is one to take into the courts.

Very many times we are misled and our attorneys are taken by surprise when they come before a jury, because of evidence coming from the other side of which they had no knowledge whatsoever. This always causes a company a large amount of trouble and costs a great deal of money. The company is not compelled to disclose all its evidence, but it ought to get it all. There is no excuse for not getting it all.

I think some of the large losses we have had have been in cases where, after the lapse of many months and sometimes years, we were convinced that evidence which we ought to have had and which if it had been in our possession, would have permitted us to settle certain cases, was in the possession of the other side, and it was useless for us to try to combat it. We did not get all the evidence, and therefore we were compelled at a time when it was not practical to make an advantageous settlement, to make one highly disadvantageous to the company.

The effectiveness of this general policy, gentlemen, which I know is contrary to that pursued by many of the companies, is shown by the fact that one of our companies has not lost a case in court, which has finally been sustained by the higher court, in a period of three years, and at the end of each of those three years, we have had fewer cases on the dockets of the courts of that city than we had at the beginning of it.

This is possibly not the kind of an address you wish, but it is simply a little practical experience of the result of the pursuit of a policy, or rather a principle, because, in my judgment, every policy

should be based upon a principle of right. If one of these companies, through the negligence or carelessness of its employes, had injured any one, or damaged his property, that company is legally and equitably liable to pay for the damage. We ought to determine whether there is such liability existing and then if it can be settled upon any reasonable basis, settle as quickly as possible.

I lay down the broad, general principle, that where we are liable we should, if possible, settle the case. That is one of the things which requires good judgment; to be able, yourself, judicially to sit in a position of an upright judge upon the bench, losing sight of your treasury for the time being, to pass upon a case as to whether it is meritorious, whether under the law a defense can be made which will hold good. On the other hand, if you are convinced that there is fraud, my directions to the claim department are that if the case can be settled for five hundred dollars and it takes five thousand dollars, or ten times five thousand dollars, to defend it — defend the case!

The books of one of our companies were recently thrown open for a period of ten years by the city in which the company operates, in an effort to force us to give a less fare than four cents. A firm of certified public accountants, one of the most reputable in the country, made its report recently, after several months of exhaustive examination of our entire books.

One thing they criticised, among others, was that we have created reserve funds, unnecessarily large. This they attacked, the point being that these reserve funds might be carried to profit and loss account instead of having been charged to operation, little by little, and thereby it might be shown that the company was earning sufficient so that it possibly would be able to give a lower rate of fare than four cents.

The highest rate that has been charged by that company is 4 per cent. This rate is being charged and carried to a reserve fund out of which every expense relating to the claim department, the salary of every investigator, the salaries of all attorneys, and all hospitals and medical expenses, and every other expense of the claim agent or surgeon, every expense to-day charged is against that fund. We have accumulated \$350,000 in 5 per cent. bonds, and this these learned accountants deem an unnecessary charge against operation, and an unnecessary accumulation of funds.

Now, that fund, in my judgment, is not yet sufficiently large. I take the position that we will have no difficulty in proving in court that the chances are that if that company were to go into liquidation to-day, if our franchises, we will say, were to expire by limitation the first of next January, and we had then to settle all the injury and damage claims now pending against that company in the form of suits, or that have not yet been put in the form of suits, the amount of money set aside possibly would not clear the docket. It ought to be half a million of dollars, and it ought to continue growing as the volume of the business of the company grows. My recommendation

to every company in this country, is that when their franchises run out, or at any time they might wish to go into liquidation or sell their property, they must consider this as one of the conditions to be met. They must take care of the unsettled injury and damage cases against their roads. Every company ought to have a sufficient invested fund, and if there is not a sufficient invested fund, you will have to put up the cash, gentlemen, to take care of it.

This is such a fund as the life insurance companies have. It is to take care of the claims when they develop into a known liability and a fixed amount. Of course, the liabilities many times run into hundreds of thousands and some times millions of dollars, when they come to be settled. It is not an unusual case, as you know, for companies to have to settle up and pay a claim for twenty thousand dollars damages, and where they used to get a thousand dollar claim they may get twenty-five hundred now. We cannot settle claims even as reasonable to-day as we could two or three years ago. The legislation in the various states is becoming more severe against the corporations, and more liberal to the injured party. For instance, during the last session of the legislature of the State of Wisconsin, the liability in case of death was doubled. It used to be limited to five thousand dollars. It is now ten thousand dollars, and in some states they are taking off the limit entirely.

The Milwaukee Co., ever since I have been connected with it, has pursued one course. My rule is that every one connected with this company shall come into the claim department through one channel, the platform of a car. We employ the brightest, the keenest, the most intelligent of our motormen and conductors, and there is no other avenue into the claim department of the Milwaukee Co. We believe that such an investigator, when he comes to an accident, may possibly be able to check up the motorman as to how he was running. It is natural for employes of a company to attempt to disguise their own blame in the matter. It is very often the case, that the head of its transportation department, or the superintendent who has charge of running the cars, wishes to stand by his department and make it appear that it was not at fault. It is the first law of nature that we try to shield ourselves. Consequently, from this very fact alone, one of the most severe cases we have had, a case that cost us money afterwards, was caused by the density of the trainmen on the car on which the accident occurred. They did not tell us all they knew. They only told part. I consider a half-truth far worse than an outright lie, because the outright lie will create suspicion, but the half-truth misleads you. It is the half-knowledge of the facts, gentlemen, that misleads the attorneys and misleads those in charge of the claim department.

I know well, gentlemen, that many times you are not in as close touch with the executive head of your department as you ought to be. You are very essential to the head of the company, and a very great deal of the success of the company depends upon you. Every depart-

ment ought to recognize how dependent each one is upon the other. All heads of departments should be associates in the management. If the executive cannot get the loyal, enthusiastic, untiring support, it does not make any difference how much ability they may put into their work. It doesn't make any difference whether he go without sleep or not. He may work thirty hours a day, nine days a week, in trying to push the business, but unless he can enthuse his associates, and make them realize it is their money that is being paid out, his work goes for nothing.

I thank you, gentlemen, and I am very sorry that I did not have the opportunity of preparing an address to be presented at this meeting.

MR. CARPENTER:—Mr. Chairman, I would make a motion that before proceeding further, and before President Beggs leaves, that we extend to him a vote of thanks for the very interesting address he has given to us, being so full of the things that the claim agent and the officers of the companies should know. (Motion carried.)

PRESIDENT BEGGS:—I thank you, gentlemen. I have done no more than my duty. I am one of you and it has been a pleasure as well as a privilege.

There being no further business before the meeting, the convention was adjourned to Tuesday, October 15, 1907, at 10 o'clock, A. M.

TUESDAY MORNING SESSION.

OCTOBER 15, 1907.

The meeting was called to order at 10 A. M., Acting President Bradley in the chair.

The session opened with the reading of a paper by Mr. R. H. Schoenen.

THE POLICY OF THE CLAIM DEPARTMENT TO THE INJURED EMPLOYEE.

By R. H. SCHOENEN, *Claim Agent,*

Lehigh Valley Transit Co., Allentown, Pa.

The laborer, the employee of a street railway if you please, is his own worst enemy. He is the victim of conditions which are, speaking collectively, of his own making. To him is measured out a stated amount of the wealth of the land in exchange for the commodity which he has for sale, his services. He naturally seeks to obtain the highest price. The employer, the capitalist, is the custodian of the accumulated wealth of the land. He, too, seeks to obtain the best bargain he can, and, alas! too often is guilty of gross malfeasance in his trust. Human nature is aspiring. We would not be human if we did not hope to attain higher walks of life socially. Depraved, indeed, is the man who does not wish for higher ethical ideals. The employee has his aspirations. He seeks to draw more largely upon the accumulated wealth of the land and so often he is led to resort to methods which, if not downright dishonest, are, to say the least, disreputable.

The employer, capital generally, is representative of the highest culture, intelligence and refinement, and means to be and is, usually, honest and fair in dealing with the employee. Now it is no serious indictment against the employee to intimate that the employer is fairer in his dealings with the employee than the employee is with the employer. Reverse the condition of education, culture and training and you doubtless would reverse the positions as to fair dealing. The nearer we approach common ground, which means the employee must be lifted by education and training toward the level of the employer, the less liability is there that friction will exist, the stronger will be the confidence of the one in the other.

Confidence means content, lack of confidence means discontent, and all the resultant evils bred in the minds of the ordinarily discontented employee.

The management of the street railway, as represented by the chiefs of the various departments, should always be such as to inspire con-

fidence. The claim department, probably, finds it more difficult to do this than any other department, and, especially, when dealing with the injured employe. The policy dare not be too liberal, else the result will be to detract rather than to inspire confidence, and in the end lead to gross imposition upon the company. Let the employe once feel that his remuneration for injury will equal or exceed his regular wages and his indisposition is likely to be extended indefinitely with positive injury often to himself, and a demoralizing effect upon his fellow employes. This does not necessarily mean an effort to defraud the company. Nothing is more real than imaginary injury. On the other hand, it has a very wholesome effect to be brought at times face to face with the hard necessities of life and what at first seems a hardship is afterward looked upon as a gracious act. Cases may be cited where injured employes have been allowed to work at their regular duties when able, and when not able paid regular wages upon doctor's certificates, who had been sick, delusionary, for months and even years. Yet, when patience was exhausted and it seemed better to risk a possible lawsuit than to continue indefinitely a condition so demoralizing, it was found that the injured employe was soon able to perform his work regularly without any lost time and in a satisfactory manner. It was simply throwing him upon his own resources as to the future and his mental activities started in another direction. This condition may be brought about by the advice and harangue of a friend or relative, or perchance the injured employe has been sought out by one of those "ambulance chasing lawyers" and is the victim of his intrigues.

Many employes carry accident insurance or belong to beneficial societies or, at times, both. A slight injury may return them much more than their wages, if it enables them to collect benefits from these societies and settle with the claim department for their injuries. It often takes the combined efforts of the claim department of the company and of these societies to prevent fraud being practiced. It is well to ascertain to what beneficial societies your injured employe belongs, if any, and see what benefits he may be drawing from them.

On the other hand, too harsh treatment of the injured employe is likely to engender a malicious feeling which tends to destroy confidence in the company and its management generally. This in the end lends energy, especially where you are dealing with organized labor, to certain socialistic ideas which seem to be sweeping like a great wave over the country, until we hear of laws and court decisions from all quarters, always in favor of the employe as against the employer. It would seem that to employ a man to work for you would be to enter into an insurance contract with him in case of his injury by accident no matter where the liability lay, or how much property loss the employe may have caused by his carelessness.

Pennsylvania at the last session of its legislature passed a very liberal law looking at it from the employe's standpoint. It has yet

to come before the courts for its proper interpretation before we can judge of its true significance. President Roosevelt, if properly reported, in his Georgia Day speech at Jamestown placed himself far to the front on this line.

It is essential first of all before dealing with the injured employe to determine the liability, who was primarily responsible for the accident. If the injured employe has contributed by carelessness or otherwise to the accident this fact should be given consideration in settling, and all evidence tending in that direction should be well established, and clearly and explicitly stated. The injured employe should be given to understand, and very clearly, that what he is likely to term an illiberal settlement is illiberal only to the extent that he has himself contributed to the cause of injury. If the injured employe is free from fault and the injury is not the result of the carelessness of some fellow employe, the settlement should be most generous, even to full remuneration for the injury sustained. Where a fellow employe has contributed to, or is wholly to blame for the accident, the treatment should not be so liberal. Probably half remuneration for injury sustained would be liberal enough, unless the fellow employe is one to whom is delegated a certain amount of authority over him, and it was in obedience to this authority exercised, that the injury was sustained. Then, in that event, the injured employe should be given the same consideration as the employer who is wholly faultless. It is very hard at times, and often almost impossible, to determine whether the employe has contributed to his injury. In such cases the employe's record should be examined and if it proves to be good, he should have the benefit of the doubt. If, on the other hand, his record is poor, or shows him to have been habitually reckless or careless, though not sufficiently so as to cause his dismissal, the company is entitled to the benefit of the doubt and settlement should be made accordingly.

You can readily see, and no doubt have experienced, the difficulty in establishing an inflexible rule for this class of settlements. One rule, however, should be strictly adhered to; no injured employe should be allowed to return to his regular work until he has given the claim department a release in full. To assist needy employes it often happens they can be given something they can do that will help them along until such time as they will be able to take their regular work, but before they take their regular work they should sign a release. A release thus given eliminates them from the pensioner's pay-roll and places them again on their merits. It is often necessary to assist needy injured employes by advancing them or their families certain amounts on account. These advances should only be made to prevent actual want and should be well within the settling limit.

ACTING PRESIDENT BRADLEY:— Gentlemen of the convention, the paper just read is now open for discussion.

Discussion of Mr. Schoenen's Paper.

MR. HARDIN:—I would like to ask Mr. Schoenen one thing. He states here about carrying injured employes on a kind of a pensioners' pay-roll. Does he mean by that that it is an account which he carries so that when he does eventually settle with the injured employes, he can figure that up and make the final settlement with the employe embracing what he has advanced him?

MR. SCHOENEN:—I will explain my method. What I mean by a pensioners' pay-roll, is this. If, for instance, a motorman or conductor is injured, and he is not fit or able to work,—we will say he has broken a leg,—he will be able to do some work, like that of a flagman, or watchman long before he is able to take his place on the car. While he is doing that work we will call that a pensioners' roll. We allow him to work as a flagman or watchman, or something of that kind until he is able to go back on his car to his own work.

MR. HARDIN:—When do you take the release from him?

MR. SCHOENEN:—When he goes to his regular work.

MR. HARDIN:—What do you charge this expense of the watchman to?

MR. SCHOENEN:—It is charged to the regular running of the road, to the regular operating expenses, and not to the claim department, because he is filling the position of a man who would otherwise be taken from the operating department.

MR. HARDIN:—If that is the case, you would hardly consider him a pensioner.

MR. SCHOENEN:—We call him a pensioner, because he is not getting the same pay as a rule for that work that he would for being on the front or back end of a car.

If it is a case, however, where he is not at all responsible for the accident, where it is due to no negligence on his part, we generally give him full pay, while the watchman would usually get one dollar and a half a day, in that case he would get his two dollars or whatever he would earn were he in his own position.

Now, we find the conductor or motorman does not care to take a flagman's or watchman's position. They are anxious to get back on their job as soon as they can, and where a man is not at all responsible for the accident, we give him

full pay until he is able to go out and in this way he will be earning something and will not be entirely idle and being paid money for doing nothing.

MR. WEH:— Suppose he is responsible, what do you give him?

MR. SCHOENEN:— Then it is a matter of the degree of responsibility. If it is entirely his fault I do not bother with him at all. If I cannot prove that it is entirely his fault, I let him come to me for his settlement.

MR. HARDIN:— Don't you think it better to get the release before he comes back to work at all?

MR. SCHOENEN:— He is not very apt to sign a release before he gets his job back, if the accident is not his fault.

MR. HARDIN:— You promise him something, do you?

MR. SCHOENEN:— I promise him nothing.

MR. WEH:— You say you allow him nothing unless it is a liability case?

MR. SCHOENEN:— No, I do not say that, only to the extent of his liability.

MR. WEH:— You say if it is entirely his own fault you do not allow him anything?

MR. SCHOENEN:— I very seldom do, possibly the doctor's bill or something of that sort.

MR. WEH:— With the high degree of care we usually expect from motorman and conductors, do you think that is fair?

MR. SCHOENEN:— That is the way we have been handling them, and we have made a success of it. Of course, there are different localities where conditions are different. I think where a man is careless and it is entirely his own fault that an accident happened to him, I think if he had his doctor's bill paid and is back on the job he can bless himself.

MR. WEH:— The best of men are liable to have an accident of some kind, and it is not entirely in their power to avoid accidents, and in view of the great care we exact from them in order to avoid these accidents, don't you think they are entitled to pretty reasonable treatment?

MR. SCHOENEN:— I don't know whether they are or not, but our company is not a charitable institution.

MR. FARRELL:— How do you get those jobs?

MR. SCHOENEN:— I go to the superintendent or general manager. I tell them I have a man on hand who may be able to flag some railway crossing or watch in the car barn. We have a lot of pensioners on hand that just about fill those jobs all the time.

MR. FARRELL:— Yes.

MR. SCHOENEN:— The manager or superintendent may have a man at the car barn about ready to go out, and we let another take his place, and in that way we keep them until they get ready to take their job. We generally have men getting well who make a place for others who are hurt.

MR. FARRELL:— I suppose you do it about the same as we do, only ours are handled entirely by the superintendent. If an employe gets hurt he looks after him and before he goes back to work he signs a release.

MR. SCHOENEN:— Don't you put him on some work that he can do?

MR. FARRELL:— Very seldom.

MR. SCHOENEN:— You mean the settlement is made by the superintendent.

MR. FARRELL:— Yes, he has charge of the settlement, and I think he gets better results.

MR. HARDIN:— Does he charge it to your department?

MR. FARRELL:— Yes.

MR. CARPENTER:— Suppose you have an employe who has an accident that is entirely his own fault. What kind of a release do you require him to execute? Is there any consideration except the consideration of re-employment?

MR. SCHOENEN:— I never put in anything in regard to the re-employment. When they ask me I say I have nothing to do with that. I say, "I will give you a letter to the superintendent when you have signed a release. Then he can do just as he sees fit." It doesn't pay to promise anything as it will be misunderstood and they will come back on you every time. At least, they do with me. I say to the men, "You must sign this release and I will sign a letter to the superintendent saying you have signed a release, and if he wishes to employ you he can, but I have nothing to do with that."

MR. CARPENTER:— What consideration do you place in the release that acts as a release to the company?

MR. SCHOENEN:— I make him sign the same release as an outsider to the company.

MR. CARPENTER:— Do you put “one dollar” in the release?

MR. SCHOENEN:— I put in a dollar, and I pay him the dollar every time.

We have different doctors in the town where we have our power houses and car barns, and the employes go to them. Before the employe is able to go back to work, I send to the doctor for his bill, or what would be his bill when entirely recovered, and when the man calls I say, “Your doctor’s bill is or will be so much. Now, if you will sign a release for the amount of the doctor’s bill I will pay it and give you a letter saying you have signed this release” and they ask “Will they give me a job?” Then I say, “That is entirely up to the superintendent. If your record is such that he feels like re-employing you, that is all right.”

MR. CARPENTER:— Then it is optional whether you place them back at work or not?

MR. SCHOENEN:— Entirely.

MR. CARPENTER:— Do you have doctors employed by your company regularly with a monthly salary, for instance?

MR. SCHOENEN:— No, except two physicians. The others usually attend to our cases for passes, as they have very little work to do.

MR. CARPENTER:— Does your doctor who is riding upon his pass, send you a bill for what he would have charged had he been treating the injured employe individually?

MR. SCHOENEN:— That is the case.

MR. CARPENTER:— Suppose that should be attacked. You have no bill to pay; the consideration is the pass. Suppose it is attacked upon that ground?

MR. SCHOENEN:— As I say, the doctor’s bill amounts to so much.

MR. CARPENTER:— Do you specify that in writing?

MR. SCHOENEN:— Yes, we specify it in writing.

MR. CARPENTER:— But you have paid that, though, by your transportation?

MR. SCHOENEN:— Well, it has never been attacked. I don't know whether they could attack it or not.

MR. CARPENTER:— I was just coming to that. I was going to ask you whether you had ever had that attacked?

MR. SCHOENEN:— No; I don't see how they could ever attack that.

MR. CARPENTER:— The only question would be whether it was a valid consideration.

MR. FARRELL:— If one of your cases were brought up in court, how would you get over this pass with the doctor?

MR. SCHOENEN:— That I don't know.

MR. FARRELL:— Would that put him in as an employe?

MR. SCHOENEN:— I don't know whether that would or not. That would be a legal point.

MR. FARRELL:— If you were asked a question, you would have to deny it or tell the truth?

MR. SCHOENEN:— If I was asked what?

MR. FARRELL:— If the doctor was on the stand and asked whether you had paid the bill.

MR. SCHOENEN:— That could easily be fixed, if there was a suit I would go and pay him and have done with it.

MR. HARDIN.— Mr. President, I make a motion that a vote of thanks be extended to Mr. Schoenen for his very excellent paper.

Motion seconded and carried.

DR. RYAN:— I just wanted to ask the gentleman why not make the consideration the pay allowed for the man's time, wouldn't that be a consideration, and eliminate the doctor's end of it?

MR. FARRELL:— He only pays one dollar.

MR. SCHOENEN:— The matter under discussion was where a man got nothing.

DR. RYAN:— Why don't you put in the consideration of pay?

MR. SCHOENEN:— I didn't say I did not. When I give him a release and ask him to pay a doctor's bill?

DR. RYAN:— I understood you to say one dollar and the doctor's bill.

MR. CARPENTER:— I would like to know whether any of the companies make a practice of taking releases from employes with only the promise of employment? How do they take a release where they do not care to pay them any consideration except re-employment?

MR. SCHOENEN:— I do not understand your question.

MR. CARPENTER:— Suppose an employe is hurt and you do not care to pay him anything except re-employment, and you wish to take him back and accept his release. The only consideration given him would be re-employment. Does your company or any other company adopt that rule?

MR. SCHOENEN:— To guarantee re-employment?

MR. CARPENTER:— Yes.

MR. SCHOENEN:— That is very bad.

MR. CARPENTER:— Only to this extent, to employ so long as it may be satisfactory to the company. The reason I speak about it is that our company is following that plan in some cases. We have an employe's release blank which we fill out in some cases, and we place no consideration in it except re-employment. I never have had that release attacked, and I don't know whether or not it would stand in a supreme court, but I desire to ask the question, to see whether or not it is the practice of any of the companies.

Some one says a dollar will stand. I think that is true, but at the same time we have a most excellent lawyer who is president of our company, and his advice to us was that the other would stand, that it was a valid consideration, the re-employment only, and it is on his suggestion that we are doing it, but, as I say, we have never carried the matter to the supreme court.

MR. SCOTT:— I would like to inquire how many of the companies represented here carry an insurance on their employes with a casualty company, and if not, or if so, what the advisability of it is.

MR. FARRELL:— Our company does not carry any insurance. It has an association through which, if a man is sick, he gets a dollar a day and his doctor's bill. He pays for the benefit of this association his dues of fifty cents a month. He is paid up to the amount of ninety dollars, and

if he dies his estate gets a hundred and fifty dollars, if his wife dies he gets fifty dollars.

MR. DUNLOP:— We have such an association also.

MR. SCOTT:— We carry an insurance. I presume the others do.

ACTING PRESIDENT BRADLEY:— There are quite a number of papers to be discussed this morning, and if we have got through with this subject, we had better go right along.

The next paper is by Mr. H. K. Bennett.

THE CLAIM AGENT OF TO-DAY AND HIS WORK,

By H. K. BENNETT, *Claim Agent,*

Fitchburg & Leominster Street Railway Co., Fitchburg, Mass.

The claim agent of the present day is probably the most mistaken individual from the standpoint of the general public, who exists in the professional world, and in some instances he is almost as much misunderstood by the interests which he represents. By this I mean that many of our railway boards of directors do not fully comprehend what it means to stand between the public of to-day and a flourishing corporation of any size. I mean nothing disparaging by this statement and will endeavor to show just what I mean by this peculiar sense of misunderstanding, as I present the various phases of a claim agent's duties.

In the first place this is a most strenuous era in which we exist, and while this is perhaps a recognized fact, there does not go hand in hand with the recognition, the full understanding of what coping with advanced intelligence means. By this I assume that we have for the foundation of a claim agent, a man of intelligence backed by a body of officials who realize the responsibilities of such a position, and stand ready to aid and assist in any way they can to bring about desired results in the department which the claim agent represents, or rather is. No one man can overcome single handed the almost insane prejudice that exists against a corporation viewed from the standpoint of the general public, if he is hampered in his work and not given a reasonable latitude to work in without restriction. I contend that if a claim agent cannot work out the many problems that he has to contend with without too much red tape, he has lost just so much from the start; he loses self-control and the power of determination and in the end is a failure, and no man should aspire to a claim agent's position until he knows he has the power of disecting men's minds, and determining at once the proper remedy to apply. A claim agent's calling is as much like what it is pictured as two extremes can possibly be.

To the minds of many his position is one which tends toward dwelling in contentment and peace, his pathway is strewn with roses, and he is one who has only to speak and due attention is given. He is seen walking about with a sort of satisfied manner, fairly well dressed perhaps and with an air of being a little lower than the Angels. The reality is a terrible awakening from this picture, as you all well know, but how are we to bring the minds of these deluded individuals to our way of thinking?

A claim agent, I contend, should have all the faculties which go to make up an energetic man; eyes that see veritably everything even through imposition and fraud; ears that listen as well, and a tongue that remains silent until necessity brings it into play, and then it speaks in no uncertain tone. His brain is always revolving case after case which he is trying to make the most out of, thinking all the time if there is not some atom of evidence lurking somewhere that he can get hold of to further the desired ends. He may have on hand a dozen cases in all stages of incompleteness, from the one which is already listed for trial, to the one of a few days or hours ago. All these are in his mind, and as he shuts his eyes, there is the endless procession flitting before his vision with kaleidoscopic effect. When you see him apparently taking life easy, as it is wont to be put, be not deceived, for if he has brains (and that is already assumed) he is thinking out problems the answers to which are always matters of speculation. I apply the foregoing to the claim agent as he should be, but perhaps not always as he really is.

The claim agent of to-day, if he is such in deed as well as in name stands closer to the general public than any other official of the company which he represents; he is the bulwark, the buffer, the go-between between the coffers of his company and the greedy maw of the people; he is in a class by himself, and the head of no other department stands for more than does this same individual. His work may not show on the surface and his coming and going be heralded with a blare of trumpets, but it is there just the same. His office should not be an abiding place, but he should be, and I believe is, out among the people working quietly but effectively to tear down the bug-a-boo curtain of prejudice that exists. He is more than the mere cog in the machine which can be replaced at a moment's notice. I contend that he is a machine by himself.

Go with him to the claimant who was injured yesterday if you please. He finds him perhaps dwelling in squalor or riches, surrounded by the pleasures or miseries of life, and into each particular case he must fit like a glove and without friction. He must adapt himself to all surroundings and be as much at home in the kitchen of a tenement house with all its disagreeable features, as in the drawing room of the "400." His tact must never give out, and by the gentle but persuasive use of it he must, I contend, to be the success that is demanded of him, be able to bring within the fold

those who misguidedly persist in ranking all corporations as robbers of the basest sort. He must keep cool, meet flaming argument with good every day common sense, stand abuse without flinching, up to a certain point, agree sometimes even if it does go against the grain a little, but in the main issue be firm and positive. Give and take is a great game, but practiced in claim work is a winner. There is a chance of spoiling a good case by being too stubborn, and the claim agent must be able to see in advance whether or not his giving in even a little is to work to his advantage in the long run, or whether it will establish a precedent that will work the opposite.

You may say this is spreading it on a little too thickly, and placing the claim agent on a pedestal before which all must bow; far from such an idea, and if by chance, I do place too high a standard upon you and your work, remember it is better to aim a little too high than to fall short of the mark. I am not writing of impossibilities, but possibilities; not dealing with fancies but facts; not trying to immortalize but to infuse into you, if there be any who think that a claim agent is not a veritable being and worthy the respect of all with whom he comes in contact, the never dying flame of courage and persistency, and give each and everyone of you something to take away with you, so that your blue days will be filled with a self satisfying thought that life is worth living, and that you are appreciated. I have used the word "professional" without any apology, and do not believe there are any who will take issue that we do not belong to that worthy class, and as time goes on, I think this fact will be universally recognized.

Not long since when the manager of a large railway corporation was shown the monthly statement of his claim agent, the remark was made by him that he could remember when in one year the total amount expended for claims did not exceed \$20. So right here we have the first reason why a claim agent is misunderstood, the natural greed of the people in general, aided and abetted by shysters who use the cloak of the law to cover their acts. In those days when such a small sum was all that was needed to square accounts with the feelings of some individual, the spirit of "soakism" had not been developed, but surely as the sand running from the hour glass, just as sure was the seed being sown, and the claim agent of to-day reaps the harvest. Only with the rapid advance of both steam and electric railways did the need of a claim agent present itself to thoughtful managers, and with this onward movement, trouble began. With the extension of lines came the inevitable factions; one wanted the road to run by his house and the other by his property. So the seed of discontent was sown, and the beginning made for future trouble inasmuch as one faction would always be ready to take the part against a railway. The public began to awaken to the fact that the railroads had come to stay and once given franchises had a power that could

not be broken, and then they began to call themselves easy for giving something away for nothing.

So the need of a claim agent to pacify and coddle, if you please. These people and their offspring are the very people that we are called upon to deal with to-day, to placate and leave with a shake of the hand and a friend made for the corporation. Just a little different now from the days of fifteen or twenty years ago, when it was a question of give and take, fair prices and a oneness of purpose; a corporation that was willing to provide transportation, and a public that accepted it in the spirit in which it was given. In those days trifling accidents connected with cars were of little consequence and treated as such; if a woman accidentally fell down her cellar stairs or tripped over an obstruction in her yard, there was no thought of suing a railway for damages just because one ran within speaking distance of her home. To-day, such a one would appear within twenty-four hours with a half dozen witnesses to back her up, and claim some conductor started his car while she was getting off and injured her for all time to come. There were no lawyers in those days who laid awake nights and had their runners by day seeking all kinds of cases just for the sole purpose of mulcting a railway corporation.

So if I set our standard just above the average calling in what further I have to offer, do not say that I am placing you on a plane higher than our ambitions should reach.

A claim agent of to-day should be a past master of his calling; should have a general knowledge of law and its application; should have an extensive acquaintance with all classes; should be a student of human nature and have a knowledge of how best to approach those who have a grievance. He should maintain a confidential relation with the general public. The witness to an accident of to-day may become the claimant of to-morrow, and much depends upon how he is used when being interviewed as a witness what his disposition will be as a claimant and your success in handling him as such. There is a way to get along with everybody and leave a sweet taste in their mouth, so to speak, and once you have solved the "how," do not let go of it, for you have found, if not the perennial spring of life, an adjunct that will help you out of many tight places. It is just as easy to make a witness fairly hate you and be antagonistic toward the interests you represent, as it is to make him a friend that will prove such in the final issue.

A claim agent can be clever in handling witnesses, but he must not overdo it. He may meet with rebuff when he goes for a statement, but he must tactfully refuse to be put off, using some argument that will fit to bring about the desired ends. For example, you go to Mr. B. and ask him regarding an accident which he personally witnessed and perhaps near his place of business. Mr. B. is found,

the state of weather is decided to your mutual understanding, the Agent meanwhile keeping his eye open for a chance to get down to business, and when the moment arrives, places the matter before him in a very quiet but forceful way. Mr. B. immediately "freezes" to all outward appearance, and informs you in no uncertain tones that "he will be hanged if he will help the old road out." Continuing he says, "do you know, young man, it was only last summer that one of your cars smashed up one of my teams and some smarty comes here and offers me \$10 to settle the bill, and did I settle, well I should say not." You immediately run over past events in your mind, remembering of course, as you all do, the incidents that are constantly happening and inform Mr. B. that it was not one of the cars of the company which you represent, but one of another line which crossed your company's track at the place the accident happened. This, of course, has a tendency to smooth his feelings somewhat, but still he refuses to give you any information. Then you go at him somewhat in this fashion: "Do you remember, Mr. Brown, the old saying relative to placing yourself in some other person's place? Just for once I wish you would assume that you occupy the position I do, and let me for the sake of argument imagine a case similar to the one at issue; you are running a store; your driver leaves your horse unhitched one day while he is delivering goods; the horse runs away; a little child in the road is run over and injured; you find on inquiry that some boys started the horse by throwing apples at him, but as this is only a rumor you set out to find an actual eye-witness, and after some delay you find that I am that person; you come to me and I pointedly refuse to have anything to do with the matter. What would you think of me? Our relations now are identical with the position assumed." Nine times out of ten you win, and by nothing but pure simple tact used at the right time.

In this searching for evidence, do not always be particular as to the quality, for you are supposed to hear everything that is to be offered whether it is to your advantage or not, and should a statement be given detrimental to your case, do not refuse it, for if you do you create the impression that you only want one side, and the chances are your witness will give this information to the other side. On the other hand, if you listen to all he has to say, the chances are he will consider you are perfectly fair and frank in the matter, and will not give the matter further concern. In your eagerness, therefore, to present the best possible case, do not let it be said that you left out any statement because you are prejudiced, better a little adverse testimony than the effect of having it cut and dried. Juries are queer at best, but they tire of repetition and from personal experience, I know that too much sameness of testimony inclines the average jury to consider that the case is bolstered.

So I repeat, get all the statements you can, good, bad, and indifferent; take what is offered, and then let your attorney do the rest.

Never resort to trickery in getting statements; be frank and manly; make yourself known. Realize that you are, for the time being, representing a big corporation, and that you must so conduct yourself as to be a credit to it and yourself, without regard to the quality and character of your informants. Make the acquaintance of as many people as possible, both high and low. Learn their individual preferences and tastes, their habits and associates. Some day this fund of information will count for something. A. knows B. and B. knows C. and thus the endless chain, for where you know ten the door is open to ninety more. A sneak is about the worst creature imaginable, and many a man has been turned down good and hard just because he tried to mislead some well intentioned person, by claiming to be that which he was not. If you do this, some day it will come back to you from an unexpected source and prove a blow that may lose for you a good case.

When it is settled without dispute (or rather with one) that a case is going to trial, then is the time that you must get down and dig. You must gather a preponderance of undisputed facts, not only from those you know are connected with the accident as witnesses, but from others as well. Show, if possible, negligence wholly or in part on the part of the plaintiff, presenting this evidence in a firm and decided manner. Your witnesses must be unprejudiced, the more non-residents the better. Remember your average jury is composed of every-day men from all walks of life, and they must, like the man from Missouri, "be shown." Doubtless some one of them has at some time or other had trouble with a railroad, and you can safely wager he is going to tell all about it when he gets into the jury room. If not personally interested himself some relative has had litigation with a railway corporation, "and they haven't done anything since" is the way one jurymen related his experiences. You are up against a hard proposition, and the only way you can expect to win out, is by presenting a clear-cut mass of undisputed evidence, from witnesses of a standard calculated to impress a jury. If you cannot do this your labor has been in vain. I find too often that employes are rather inclined to enlarge upon matters, going into explanations, rather than confining themselves to the question, and offering suggestions while testifying under cross-examination. Jurors as a rule, I am convinced, do not give employes' evidence much weight. They say, at the outset that they must be predisposed to give favorable evidence in order to hold their positions. Witnesses of the employe class should be cautioned about saying too much; urged to stick to the question at hand, answering "yes" or "no" whenever possible and letting it drop there. They must not be too insistent on being absolutely right if there is any doubt in the matter, on the contrary, ever ready to admit possibilities. You will find, I think, that this prejudice will gradually be wholly eradicated as time goes on if such methods are

adopted. There are instances of course, where it would "be easier for a camel to go through the eye of a needle," than for a corporation to win a case, but there are exceptions, and these exceptions are acquired only by educating the people to a realization that a corporation is not an oppressor, but rather that which stands for the best interest of all.

It was but a short time ago that my sensibilities were severely jarred and I have hardly recovered. In a case where eye-witnesses to an accident stated that the claimant was entirely to blame for an accident, I thought it was an act of decency and confidence to go to her counsel and show him what he was up against. Judge of my surprise when after a few minutes conversation and a partial showing of what I had to offer, the aforesaid counsel opened up on me with a masked battery so to speak, and told me in good old fashioned English that it was an easy matter for me or any other railway representative to go out and get statements suitable for the company's interests, and that we had people along various parts of the lines in our employ who were paid agents to make statements favoring the company. This is an example of what we have to deal with in Massachusetts, but let it be said in justice to the rest of the legal fraternity, that this was an exceptional case, and the first time that I have known an attorney of standing, or otherwise, to digress so far into fancy from the trodden paths of truth.

So acute is the desire to obtain all the information that a railway may have in regard to their accidents, that an attempt was made in the Massachusetts legislature last winter, and which I am glad to say did not avail, to pass a bill requiring all railway corporations to file with the state railway commissioners a list of all their witnesses to accidents. You can easily see what the result would have been had such a bill become a law, and that the bill was in the interests of the so-called shyster lawyer. If this provision had become operative, a railway might just as well invite lawyers to the scene of every accident and leave all questions of settlement in their hands without argument.

As a newspaper man for many years, I was compelled to keep a scrap book containing all important matters which daily passed through my hands, and I wish to impress upon you the same necessity of doing this as a claim agent. All items concerning your railroad whether or not they are of interest to your particular department or not should be carefully recorded, for sooner or later they will stand you in good stead. All accidents in various parts of the country where names are given I consider invaluable, for you cannot tell whether or not these persons have just claims or not, and the day might not be far distant when you might run up against these very same people. Local accidents especially, and I do not refer to the railroad class entirely, for it is not an unusual occurrence to have injuries received in shop or mine foisted on you as coming directly

from a street railway accident. Together with this scrap book should be kept an index of the names as recorded, and it is a simple matter to run over this. If you have your man recorded, the rest is easy.

The use of a camera I have found to be invaluable, both at the time of accidents and after. Word of mouth may fail, but a photograph is undisputed evidence of the first water.

One other duty of a claim agent I believe to be invaluable, is the inspection of cars for defects. While this, of course, comes under another head as a rule, there are many minor matters overlooked for which the head of that department cannot be responsible. By this I mean such matters as loose screws, absence of rubbers on the backs of seats, leaving screw heads exposed where a passenger can easily catch a ring, and perhaps seriously injure himself; loose running boards, steps and other minor parts with which you are all familiar. Anything that can better the service should not be overlooked. The old saying "An ounce of prevention is worth a pound of cure," is very applicable to our line of work.

It does a great deal of good to ride with the men and watch how they perform their duties, and a word of praise or criticism at times is entirely in line with our work. In fact everything and anything that can lead to the desired end,—perfection,—should be watched with the closest attention. If it is within your province to prevent accidents, you are more valuable to your employer than to be simply able to dispose of the claims as they arise.

I have doubtless wearied you with a repetition of facts already well known to yourselves, but I trust there may be some who will feel a little more the responsibilities with which they are entrusted, even as I do in writing what I have. Let me urge upon you, in summing up, the absolute necessity of being always on the watch for every straw which blows your way and can be used for good; get to the scene of an accident as soon as possible, assist any and everybody even if the liability is all in your favor, for you lose nothing in the long run; disabuse the minds of the public in general of the idea that a corporation is against instead of for them; play fair and square, say what you mean and mean what you say, no more, no less. Firmness has done more in cleaning up undesirable cases than anything else.

In closing let me say that I have tried to set forth some of the principles of an ideal claim agent, and briefly alluded to some of his daily tasks; that, when putting down these facts for your perusal and consideration, I have not been sitting in front of a mirror. Would that I, myself, was one-half the claim agent I have pictured, but in presenting these few facts, I have tried to depict the ideal without being able to lay my hands on one, helping myself and, at the same time, hoping to aid others to oil up the rusty places and push the standard a little higher, so when we have laid down the reins, others may take them up and continue on to a more successful career.

ACTING PRESIDENT BRADLEY:—The paper of Mr. Bennett is now open for discussion.

Discussion of Mr. Bennett's Paper.

MR. CARPENTER:—Mr. Bennett, may I ask, do you and your assistants make any memorandum of the various defects in your cars which you refer to, and make a report to the head of the operating department?

MR. BENNETT:—I would say that the defects that I may personally notice, or are otherwise called to my attention, I make a report of to the foreman of the car barn, and afterwards investigate to see that they are repaired. If they are not repaired, then I carry the matter farther.

MR. CARPENTER:—Do you go as far as to ride with the men to give them any instruction as to the operation of the car and their duties while on the car?

MR. BENNETT:—I have gone as far as that in many cases where I have known there were bad places along the line, where there was apt to be teams coming out of a blind alley, and so forth, to caution them about slowing down and ringing their bell.

MR. CARPENTER:—You advise them in their duties in the matter of avoiding accidents?

MR. BENNETT:—That is the idea; yes, sir.

MR. SCHOENEN:—Mr. Bennett haven't you found that by saying such things to the employes they have resented it, and haven't you got yourself into all kinds of trouble?

MR. BENNETT:—I can't say I have. I have gone out, and in the interviews with the men I have tried to do it in a way, to use a slang term,—tried not to butt into their line of work, but just say to them, "John, that is a bad place there." If he said, "Yes, that is right," I say no more; but if he does not, I show him why it is.

MR. SCOTT:—Mr. Bennett, I want to mention the policy we pursue. Once a month the general manager, general counsel, superintendent and the claim agent, get together in an informal way, and we discuss all the various methods that may aid the claim agent, and at such meetings I feel perfectly free to talk to the superintendent about these things, and to call his attention to them, and during the intervening time I make a memorandum of what I desire, and bring it up at

this meeting, we get together in this way. I have found the meetings that we hold of more value than any other one thing connected with the adjustment of claims and the preventing of accidents. The superintendent often suggests in these meetings, a matter that would be of great benefit to me. The general counsel does the same thing and the general manager also, and in that way we bring out many valuable points. We have found these meetings invaluable in assisting the claim department.

MR. BENNETT:—I can see that that is very nice indeed. I would be glad to have my road adopt that policy.

DR. RYAN:—You say that when you make up your mind there is going to be litigation then you start digging. Do you instruct your investigators not to dig until after they have made up their mind as to the liability, or do you tell them to go ahead and investigate regardless of the liability?

MR. BENNETT:—No, I do not want to be understood that way. I would rather have it construed that when every case is presented, it is investigated to a certain extent, and sufficient data gotten together to judge whether there is liability or not. Then, if that case comes to trial, and we are not able to settle it, or do not care to settle it, why, then, I go farther and get more. That is, I mean to say that if there were names of ten witnesses to one accident sent in, I would not interview the ten all at once, but would interview enough to find out whether we were liable, and afterwards if necessary get the others.

MR. CARPENTER:—How are you able to determine whether or not there is liability without a thorough investigation? You may get the bright side and not the worst side.

MR. BENNETT:—I think if you can get, perhaps a majority, to say the liability does not exist, you would have a fair idea. I do not believe you could get, for instance, six out of ten people who would tell you the same story, without your being pretty sure what the other four would tell you.

MR. CARPENTER:—Four out of the six may be weak witnesses and the remainder may be strong fellows.

MR. BENNETT:—You will have to take a chance.

MR. PROCTOR:—What is your idea of this; if a man has a claim and thinks he ought to have a hundred dollars,—when really his claim is only worth ten dollars,—is your policy, supposing you could settle for seventy-five dollars to give him one hundred dollars or only seventy-five?

MR. BENNETT:—I would not buy anybody for twenty-five dollars. I would give him seventy-five or fifty dollars if I could.

MR. FARRELL:—One more question, Mr. Bennett. Do you have your witnesses read over their statements before they go to court?

MR. BENNETT:—I always have witnesses read them over before they sign. Sometimes they won't, themselves, and then you have to do the reading for them. Sometimes also they don't want to write them and then you have to write for them. I have witnesses sign afterwards, and before the case is brought to trial, copies of those statements are shown to them.

MR. PROCTOR:—Do you have them swear to the statements which the motorman makes?

MR. BENNETT:—No, I don't do that.

MR. PROCTOR:—Do you have the witnesses swear to the statement?

MR. BENNETT:—As a rule, yes; as far as I can.

MR. PROCTOR:—Do you have the witnesses all together, or do you take them separately?

MR. BENNETT:—I take them separately. They are simply the original statements placed in the hands of the counsel for the time being, for the purpose of trial, and they are taken into an examination room or something of that nature and looked over.

MR. WOOD:—How about the employes? Do you have them all together then?

MR. BENNETT:—No. Always separate.

MR. WOOD:—Do you not attend all trials and confer with counsel during the trial?

MR. BENNETT:—I do, yes, sir.

MR. FARRELL:— Do you consider because a witness does not sign a statement that he is not a good witness?

MR. BENNETT:— No, I do not. He is, perhaps, a little prejudiced in his own mind, and does not want to be mixed up in the matter any more, but if that case should come to trial he would own up to the statement that he made at that time, I think.

MR. WOOD:— I follow this policy in regard to witnesses. I have them sign as quickly as possible, and in that way their idea is formed, and if they haven't got an idea of the case, an idea is suggested to them, the thing being to have them form an idea as quickly as possible, and they unconsciously become partisans on my side. Therefore I make it a point to have my men see them as quickly as possible.

MR. BENNETT:— I usually get at a witness as soon as possible and say "Tell me this story just as you saw it," and then I get it from where the witness got on the car to the point when the accident occurred and all the witness saw in the form of a connected story, sort of an interview, and sort of a friendly talk.

MR. TICHENOR:— Don't your witnesses deny the statement sometimes?

MR. BENNETT:— No, they cannot deny their signature. They may not remember what they said, and they are asked, "Do you remember making the statement?" and "Is this your signature?" And then, "Did you read it before you signed it?"

MR. TICHENOR:— We have a woman now who is getting ready to deny that she signed her statement. She will have to admit the signature, but she will say that she did not read it. She will say that the claim agent may have read it to her, but she didn't read it.

MR. WOOD:— We send out the blanks by mail and have them returned by mail.

MR. BENNETT:— We do not take any chances by mail.

MR. WOOD:— If we do not get any answers by mail we go to see them.

MR. RUDDEROW:— Don't you think that it would be a good

idea in the investigation of all cases, at the start, that they should be investigated just as though you were preparing them for trial?

MR. BENNETT:— Yes, I think so.

MR. RUDDEROW:— I mean a thorough investigation of all the witnesses?

MR. BENNETT:— I think of course each one has to adopt the policy, perhaps, best suited to their own local conditions.

MR. RUDDEROW:— Don't you think in many cases that the reason why a claim is not fully investigated, is because the claim department does not have enough investigators, and enough help?

MR. BENNETT:— Yes, I realize that very fully.

MR. RUDDEROW:— You will drop one case and go on something else, because you think the other is more important, and you do not finish this. Don't you find that so?

MR. BENNETT:— Yes, I find the claim department, as far as the investigators are concerned, is underestimated by the head of the company.

MR. RUDDEROW:— Do I understand you to say that when a case is ready for trial, that you mail your witnesses a copy of their testimony?

MR. BENNETT:— No, I do not mail them. I believe in personal work.

MR. RUDDEROW:— Didn't you say you sent them a copy?

MR. BENNETT:— No, I say that a copy is placed in their hands.

MR. RUDDEROW:— You don't let it remain in their hands?

MR. BENNETT:— No.

DR. RYAN:— Which do you prefer, to be a claim agent of to-day, or an advance agent in a preventative capacity for to-morrow?

MR. BENNETT:— That is rather a hard question. I can answer it, perhaps, but I don't know as I can make it absolutely clear. I should say this, the claim agent of to-day will be better qualified for a position as a claim agent of to-morrow, than he could possibly be under any other school, by the experience he has obtained from the present viewpoint of the general public. Without such knowledge he

would not be able to be a claim agent of to-morrow, or even a claim agent of to-day. That is answering the question, but not just as clearly as it might be done.

DR. RYAN:— My only thought in the matter is to bring out as clearly as possible the prevention of accidents, the antitoxin of accidents. It is tolerably easy to settle a case; if it is not settled, it is turned over into the hands of the legal department. But I mean the preventing of accidents. That is the best solution of the problem.

MR. BENNETT:— My general manager said the other day that he would rather I would sit up stairs until the chairs fell to pieces, if I could only prevent the accidents.

MR. WOOD:— Does your company operate gates on vestibules?

MR. BENNETT:— Our closed cars are all enclosed.

MR. WOOD:— How many cars have gates at the front operated by the motorman?

MR. BENNETT:— None.

MR. WHITEHEAD:— I would like to ask you how many of your claimants come to see you before placing the matter in the hands of an attorney?

MR. BENNETT:— A large majority; because I always make it a point to have some one see them about it, and find out if there is any disposition on their part to carry it farther than my own department. I find out their ideas in the matter, whether they have a claim or not. If I see there is one, I take it up immediately before they have a chance. I have very few cases that do not get to me direct before they reach the lawyer.

MR. WHITEHEAD:— Do you have your investigators request them to come to see you?

MR. BENNETT:— In some instances, but in the majority of cases I go to see them myself. I believe they appreciate it more than if they have to come and see me. They find you are interested right at the start, and you disarm any suspicion they may have about you.

MR. PROCTOR:— Do you or do you not find it stirs the claimant up? Don't you find it brings in a lot of claimants that otherwise would have not come at all?

MR. BENNETT:— I have not found it so.

MR. PROCTOR:— I have had to drop that very plan on that account.

MR. BENNETT:— Not in many cases. I would rather take the chances of having a very few do that.

MR. FARRELL:— Mr. Bennett, do you think it is policy to let your witnesses read their statements, or only in cases where they have forgotten and it is absolutely necessary to do so?

MR. BENNETT:— I might, perhaps, qualify my statement in regard to that a little. I ask them some times a second time to give me their version of the case, and if it is along the lines they have written, I let it drop at that. If not, perhaps I have them read their statement.

MR. FARRELL:— I never like to show them a statement.

MR. TICHENOR:— You mean at the time of the trial?

MR. FARRELL:— Yes.

MR. SCHOENEN:— I find the best policy to pursue is to let the witness receive the statement before trial to refresh their memory. I always do it.

MR. FARRELL:— Suppose there is something in that statement you do not want them to see.

MR. SCHOENEN:— There could not be anything in that statement I do not want them to see. If you put them on the witness stand to swear to a certain matter, what could there be in the statement that you wanted to withhold from them?

MR. FARRELL:— There might be things in the statement you did not want them to speak of.

MR. SCHOENEN:— They would not speak of it unless they were asked. I would never think of having a witness go on the stand without refreshing his mind.

MR. FARRELL:— That is a matter of opinion, I think.

DR. RYAN:— I think it is well to have the investigator present when the question is being discussed. The witnesses are more apt to stick to their statements when the investigator is present who secured their original statement.

MR. FARRELL:— I can hardly agree with you about that. I think the fewer people there are around when you are talking with a witness the better.

DR. RYAN:—I refer to the time when the case is being prepared for trial.

MR. FARRELL:—That is what I do. I prepare all our cases.

MR. TICHENOR:—I think it might be suggested that the claim department or attorney ought to use his own best judgment as to whether or not a statement should be presented to a witness. I frequently get statements from witnesses that I do not expect the jury to see unless the other side brings it out.

The witness which I mean to have put on the witness stand at the trial, I always manage in some way to talk with, and if a witness wishes to see his statement to refresh his memory, I have it there for him to see, but to make a general distribution of statements among witnesses that will testify at the trial, I should think would be a very bad practice; most assuredly no good lawyer would put a witness on the stand without having talked to him or having somebody else talk to him, on whom he can rely, and then if he wishes to see his statement he can do so.

MR. SCHOENEN:—There seems to be a mistake, there are two kinds of witnesses. I would not show the witness on the other side his statement. When I will show a witness his statement, I mean the statement of our own side; on the side of the defendant, not the other side.

MR. FARRELL:—I will tell you what we do. We subpoena all witnesses and request them to call at our office and only use what we consider beneficial. The remainder do not know whether they are going to be called until the case is closed and all this time they are out of the other fellow's way.

MR. WOOD:—I put a good one on the stand first.

MR. TICHENOR:—It is well to carry your witnesses with you.

MR. HARRISON:—I move you that a vote of thanks be extended to Mr. Bennett for his paper which he has just read.

Motion seconded and carried.

ACTING PRESIDENT BRADLEY:—The next paper is by Mr. Harry P. Vories. Mr. Vories is not here, as he is very ill. I will ask Doctor Lemon, of Milwaukee, to read it.

HOW I MANAGE BAD CASES.

By H. P. VORIES, *Claim Agent,*
Pueblo & Suburban Traction & Lighting Co., Pueblo, Colo.

We have taken it that the subject presupposes a case where the injury is severe, the company liable and the claimant disposed to demand more than is just. The case may be one where there is no injury, at least no apparent injury, yet, the proof of this fact is hard to-establish. There may be a case where the injury is an honest one, yet the claimant is disposed to exaggerate his or her injuries. In any one of these cases, I have the injured party sent to a hospital that will treat the company fairly.

I take the usual precaution of bringing the motorman and conductor before me, and make a thorough investigation of the case. I interrogate them and cross-question them as if they were antagonistic to the company, in short, I do every thing that can possibly throw any light on the question. I take a detailed statement from each of them and file it with the records in the case. I immediately send the company's surgeon to investigate the case, and ask him to make all inquiry as to how the accident happened and to procure a verbal statement from the party. He makes to me a full report of the injury, which is, of course, filed with the case. I use the card system in getting the names of all witnesses that can be obtained. I have my assistant investigate all the circumstances of the case at once. Every witness who saw the accident is carefully interrogated and his statement reduced to writing and sworn to.

It often happens that the witnesses who were close, say that they did not see the accident and have no statement to give. I have my assistant tell these people that it will seem that he has not done his duty unless he gets some statement from them, and that if they do not know anything, if they will kindly say so, it will put him right with the company. This prevents them from testifying against the company in case of suit. It often happens that a witness is a working-man and is antagonistic to a corporation, but if he is informed that it will assist the motorman and save his job, the information can be obtained. I confer then with the legal department, if in doubt, and by the time I have all this information, the party is ready to see me, and I am ready to see him. I never tell anything but what I believe to be the truth. "Corruption wins not more than honesty."

I try to be fair, and more than that, I try to convince persons that I am their friend and that I am going to treat them fairly. I endeavor to find out as much concerning the life of the claimant as possible. I manage to find out the state where he was born, where he has lived, his religion and politics, his misfortunes and physical health. After I have done these things, I talk about things that are pleasant to him. I try to create a fellow feeling between us. If he is from the South,

I tell him I have lived there; I find out if he or his people were in the late war between the states; I find out whom he or they were under, what battles they fought, if he served from Bull Run to Appomattox; I tell him that I had a brother who was a follower of the fortunes of Lee and Jackson. If he is from the North, I tell him my father was a Union man; that the Confederates "borrowed" his horses, and that they no doubt met on many a field. If he is from my state, I talk of things there that will make him know that we have many things in common. If he is from Missouri I tell him that is not such a bad place; that I had to go there for a wife and ought to be the last man to say any thing against the state. I tell him the story that the Kansas man tells on Missouri. That once a Kansas family was moving to Missouri; they had everything in the wagon ready to start, but they could not find their little boy, but looking into one of the rooms, they found him down on his knees saying his prayers, that he ended up with "Good bye God, I am going to Missouri." The Missourian said, "That is correct, but you haven't punctuated it right. What the boy really meant was, 'Good! by God! I'm going to Missouri!'" Such things may seem trifles, but trifles make perfection and perfection is no trifle. They make the claimant feel that you know him, appreciate him and are willing and anxious to aid him, which I always am. He feels kindly to you, that you are one of his people. He will more easily see things as you do. If he is honest, you are able to reason with him as to what he ought to receive. Ask him what he thinks he would like to pay if he were called upon to pay for a similar accident. I tell him what I have always paid in such cases that are worse than his. You gradually get his ideas reduced to something that is fair and right. I then tell him that the company is opposed to my settling such claims unless it is upon a fair basis, that personally nothing would give me more pleasure than to pay him a large amount, that it is always a pleasure to help people. This is true, and I make him know it is true, but that I have a duty to perform by the company. I can not aid him at the expense of being unjust to my company. That I have two to satisfy, him and the company. That I can not do my full duty if I am unfair to either.

He is made to understand all this. If he is reasonable, I am generally able to settle with him without threats, which I never employ. If he will not settle at this time, I tell him that I am sorry he does not see the matter as I do. I suggest to him that if we take the best view of it for him, he will have to give from a third to a half to the lawyer, and by the time that is done he is not as well off as he will be if he accepts my proposition. I tell him there is the "law's delay," that it takes from three to four years to get a decision in the Supreme Court and if the case is reversed and comes back for trial, it may be that all of us will be dead before the case is finally decided. It is rarely that the honest man will stand out for something he thinks unjust when he considers all these things. It often happens that the claimant

comes to the office in a very angry mood. He is determined to have the matter settled at once. A check must be written out for him in some exorbitant amount before he leaves the office. I am told that some judge or former congressman, or senator, or other great legal light is just waiting to be engaged and that the amount sued for will be much larger than he now asks. In such cases I pursue the Fabian tactics, I play for delay. I convince him that I should not be required to pass on the matter instantly, that all he wishes is a "square deal," and while it may be that all he says is true, I should be given time to investigate. I have always made this so reasonable that I have never been denied this request. After the matter has dragged on for some time, I report to him that while he may be entitled to something, I cannot pay the amount he demands without consulting with the general manager. I endeavor then to compromise somewhere between the amount I have offered and what he demands, but am never in a hurry to pay more than what is just and fair. Procrastination may be the "thief of time" and it is surely the saviour of the company against dishonest claims. If I am still unable to compromise with the claimant, I tell him to think the matter over and come to me again and we will see if there is not some hope of a settlement. It is often true that he comes back before finally commencing suit, and we confer, and he reduces his demand and I increase my offer and the matter is settled. If there is no hope of settlement on a basis that is fair and right, I tell him then to begin suit. After the matter is in suit, it is often true that an adjustment is made on a basis of more than what I had first offered. We have never yet made an effort at compromise and failed, where the jury gave more to the claimant than our offer.

MR. HARRISON:—I move that a vote of thanks be extended to the writer.

MR. BENNETT:—I move an amendment to the motion of Mr. Harrison. I move that the vote of thanks be accompanied by an expression of regret for the illness of the writer and hopes for his speedy recovery.

Motion duly seconded and carried.

Discussion of Mr. Vories' Paper.

MR. CARPENTER:—I want to ask a question about taking statements. Now, in regard to having statements signed, and in regard to taking statements and having them sworn to. Is there any advantage in having a statement of witnesses sworn to before a notary public?

MR. WOOD:—I cannot see any. I have had them both ways.

MR. BROWN:—We usually request the witness not only to sign a statement, but to write underneath that statement, "I

have read the above statement and certify that it is correct," and they usually do it.

MR. CARPENTER:—That eliminates the swearing part of it?

MR. BROWN:—Without swearing to it, but it ties them down to it pretty well.

MR. JOYCE:—The investigators of the Rochester Railway Co. are commissioners of deeds. We exact a sworn affidavit whenever it is possible to secure it. Oftentimes business or professional men do not want to give any written statement saying that they will appear whenever it is necessary in case of trial. The investigator then makes a memorandum of the verbal statement given, and in cases that have been tried the class of witnesses above mentioned have held to their verbal statements.

I find in the trial of cases where sworn affidavits are secured from both the plaintiff and witnesses and where they write, "I have read this statement and it is true to the best of my knowledge and belief," that it is seldom they try to deny it. Our investigators also, where statement of injured party is secured at his or her home, have some other person or a member of the family read the statement of the injured party aloud and then sign it as a witness. This to show that there is nothing in the statement but what has been read and fully understood. It is then sworn to before the investigator who is a commissioner of deeds.

MR. CARPENTER:—What advantage do you find in having it sworn to over simply a signed statement? That is what I want to get at.

It is never taken in the presence of both parties at once, I take it. Your statement is sworn to in the presence only of the man giving the statement and the party giving it, and used for the purpose of impeachment.

MR. JOYCE:—We usually have the witness read it over.

MR. FARRELL:—I do not see that it makes any particular difference if a statement is sworn to or not. If a person is going to deny it, he will. I find it that way.

MR. WOOD:—I find that by sending out the statements by mail, when the witnesses are on the stand they often become a little hazy, and we ask them to refresh their memory by this statement they made, and we ask them, "Why and how did

you make that memorandum? Under what circumstances did you make it out? At home when no representative of the company was present and no influence around you, you made that statement and wrote it down the day after the accident and it is all fresh in your mind?"

That has great weight with the jury. Nobody was present; no representative of the company. They made it voluntarily at home and mailed it to us. There was no coercion.

MR. FARRELL:—I will say that is the strongest statement that can be gotten, if you can get it. If a man writes it out and sends it in there is no way he can get around it.

MR. HARRISON:—Gentlemen of this convention, while in Atlantic City at this time I have a duty to perform in the way of investigating. We have a claim which is now in suit in Florida for fifty thousand dollars damages, and one point in the case is whether or not it is practicable, and whether or not air brakes are generally used on single-truck cars. I have never yet found one, but our franchises say that we have to use the latest and best appliances for safety, and I would ask all of the gentlemen present this morning to put on the back of your card, the name of your manager, and the word "Yes" or "No," stating whether or not you use air brakes on single-truck cars.

We may have to take depositions of fifty or seventy-five of you, but we have got to do it to win that case, and I have got to get this information.

I would be glad and thank you if you will simply write on the back of your business card the name of your manager, and if you use air brakes on single-truck cars, write "Yes," and if you do not use air brakes on single-truck cars, write "No," and I will collect them, and, Mr. President, in order to facilitate matters and save time, I would offer as a motion that the executive committee be allowed the privilege of nominating the officers for the ensuing year, and report to this meeting to-morrow afternoon the names of those officers which it may select.

Motion seconded.

MR. FARRELL:—As an amendment to that I would suggest that the committee take up the matter and report this after-

noon, as I understand there are quite a few who would like to leave to-morrow afternoon.

MR. HARRISON:—I accept the amendment.

(The motion and amendment seconded and carried.)

DR. LEMON:—Inasmuch as a paper has been interjected into the program this afternoon which is not in the regular order of business, and as it is now twenty minutes of twelve, and lunch does not take place until one o'clock, I move that we continue with the reading of papers, as the readers are present.

(Motion seconded and carried.)

ACTING PRESIDENT BRADLEY:—I presume this motion refers to what Mr. Sears has to say to us. I notice that Mr. Sears is present, and I would ask him to lay what he has before us at this time.

ADDRESS OF MR. SEARS.

MR. PRESIDENT AND GENTLEMEN:—I am here in a dual capacity,—not only representing my company but as representing the Alliance Against Fraud, of which you may have heard in the past few years.

As briefly as I can state it, that association is formed among the leading traction companies, railroads and other companies and public service corporations, which operate through the country. It was formed at a conference in New York city a few years ago, and since that time, the project has taken shape. As a result of the articles which appeared in some of the popular magazines some years ago, by Mr. Waters, the president of the Casualty Company of America asked the traction companies and public service corporations in various parts of the country to assemble at New York and talk the matter over.

As a result of that meeting some thirty different companies, I think, associated themselves at that time as this association. Among them are the New York City Railway Co., the Brooklyn Rapid Transit Co., and the gas companies, the New York Central, the Chicago & Rock Island, the Atchinson and all of the larger railways of the country. They are a part and parcel of this Alliance.

Now, it should not for a moment be thought that this association should be allied with that association. It is purely a cooperative scheme. No one is in it except as a matter of duty, and through a determination to win out if possible.

I think before we adjourn we should take some steps to become a part and parcel of that association.

Now, let me tell you what one of the objects of the association has been: It is not only to meet as good fellows, to exchange experience

and good ideas and so forth, but to have as much as possible co-operation in affairs, and a sort of guide in some features of our business.

We all know that within the past few years great changes have taken place and something must be done to meet these conditions as they change. Whether or not we have met the climax is open to dispute. Some think we have and some think we have not. Anyway, we have conditions coming up from time to time which we must either conquer or they will conquer us.

Now, this association meets not only with the street railway men, but with the insurance companies and with the steam railroads, and all companies engaged as public service corporations.

We have one association in Canada and another has applied for membership in England, so we can keep in touch with the world affairs as well as our own country.

The experience we get, of course, cannot be estimated. The influence which is exerted throughout the country is something immense. In our part of the country, that is,—the eastern part,—while you cannot figure it in dollars and cents, yet the influence has been something which has been very great. A large sum of money has been expended in moulding as far as possible public opinion. Large sums of money have been expended for the apprehension of criminals throughout the United States, because from San Francisco to Eastport there is no place which is not open to the particular protection of the association.

I took a trip, for instance, a year ago with the secretary of the association to Chicago, paying our own expenses; going there to induce the companies, if we could, to see the advantages which we in the eastern part of the country believed was in this proposition. We met with a fair degree of success, although it was entirely new to them.

It was rather strange that the little fellows from the east should go to Chicago and see the street railway men literally introduce themselves to each other. They didn't know the railroad men in the same line of business in their own city. The insurance men had to be introduced to the men who are settling the same class of cases as they are. There wasn't any medium of exchange between these men. I don't know how many great corporations there are in Chicago in the railroad business. I think there are thirty terminals of the steam railroads there. There was not one single common place of meeting in which they might bring together their affairs and meet what we all have to meet, with a common, sturdy, solid front.

It somewhat opened their eyes, and that day they did open their eyes as if some light from above had come upon them, and they began to get together; that is the prime object of this association, first, to bring them together to exchange information.

There is another feature which is evolving from this, which touches perhaps the larger cities more than the smaller, yet which is a benefit,

I think to any city, over twenty-five thousand inhabitants. That is the establishment of a common index.

Take Boston, my own city. We have there, I think, about twenty-two members of our local index, which is just a little local organization. Now, every railroad, every traction company, every insurance company, every gas company, electric light company and so forth which amounts to anything is a member of this little local organization.

And what do they do? Every time a claim is brought against a public service corporation it is reported to the index. We have on file to-day, just in slow puritanical Boston, *one hundred thousand* names of people who have one time or another had their claims against public service corporations.

If that is true with Boston, how might it be with some of the larger cities? One hundred thousand names. One hundred thousand names indexed carefully, systematically,—just as carefully as it is possible to do it. They are indexed not only by name, alphabetically,—that is, John Smith, who lives at 8 Washington street, but also indexed under the street and number as 8 Washington street, John Smith. Every claimant's name is filed under his name alphabetically and under the name of the street, so that you can tell at any time how many claims from that *house* have been made, as well as how many claims a man by that name has made. We know at a glance how many claims have emanated from that house.

This is purely a cooperative scheme. The officers serve without pay, with the exception of the secretary, who is paid a salary. We have at our disposal these one hundred thousand names. This is much appreciated there, so much so, that I think, no matter what the cost might be, it would not be lost by the people of Boston who enjoy its benefit.

Sometime before we went out to Chicago this Alliance published broadcast in every paper in the country, and including the larger metropolitan journals, something which may have cost one hundred dollars in each paper, putting at the top, "Five hundred dollars reward." This was in the left hand column of the first page in each Sunday paper. Then followed "The above amount will be paid to any person furnishing information leading to the conviction of any person or persons concerned in an attempt at perpetrating an accident fraud upon any of the public service corporations of this city." This was signed by the Alliance Against Fraud. Now, that was rather a wholesale way of doing it.

Chicago at that time was not interested. San Francisco was not. Boston was, but nevertheless each city had the benefit of the money and of what brains there were, and whatever experience was collected together in meeting the common enemy.

Now, Mr. Chairman, I hope before this convention dissolves, that it will empower the president through the executive committee to confer with the Alliance Against Fraud with a view to this association becoming a member.

DR. LEMON:—I would like to ask if this Alliance has any possible connection with the publication of articles which appeared in the monthly magazines about a year ago, bearing on the matter of fake claims; or whether these articles were written for or were inspired by your Alliance?

MR. SEARS:—That I don't know. If we could do anything in Boston in connection with our small magazines I would do all I could to furnish information to the editors of them. That would be my duty there.

There is that feeling that wherever you see a head, hit it; wherever there is a chance to push it along, push it, and so far as any official steps have been taken about these magazines, I don't know. Every little while I know I get a paper sent me from New York, which may have a column or more about some rascal that is traveling from place to place, and the credit is given to the alliance, so much so that in our city the mention of the name has great weight with men who are intending to do what they ought not to.

I know we had a collision of cars at one time. It was doubtful whether two persons were injured in that accident. One of our agents visited the house of a claimant, and carelessly left the card of the alliance. It really wasn't a card, simply the top of one of their letter-heads torn off, and he dropped it there. The next morning there were three or four persons in the office of the Boston Elevated explaining their connection with that case.

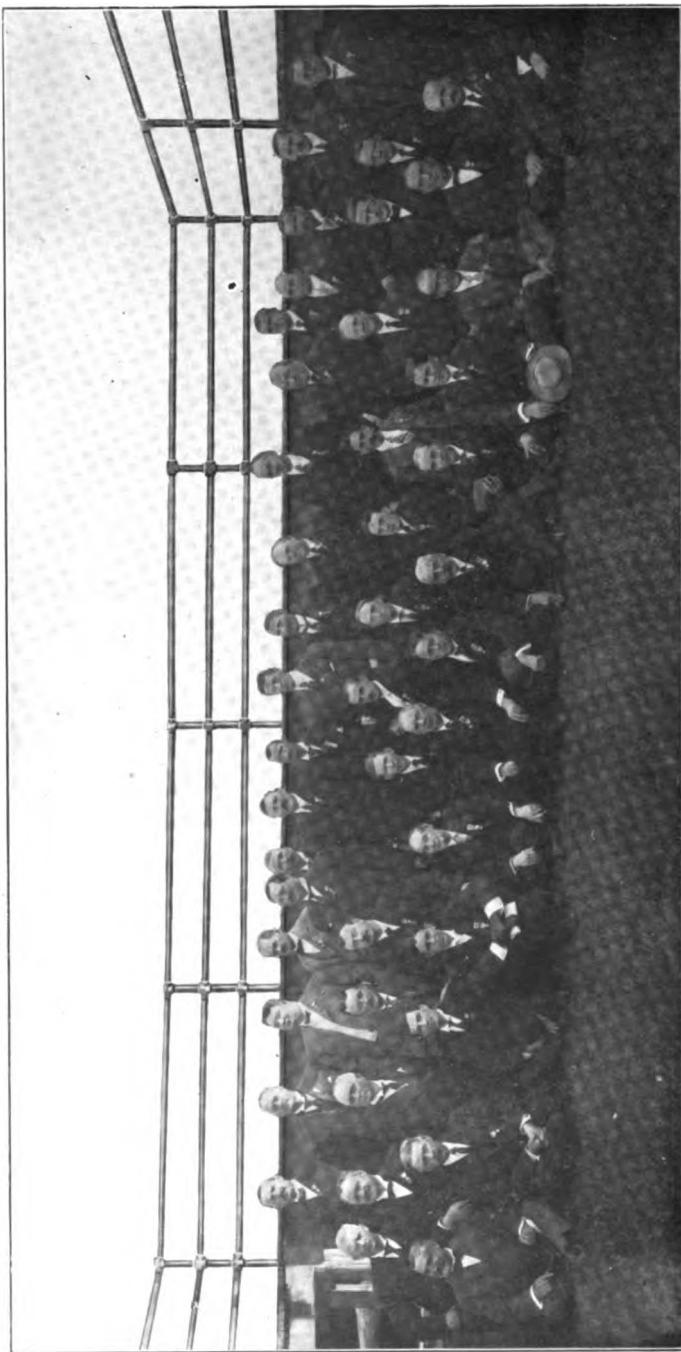
MR. FARRELL:—Do you think it is a good thing to publish those things and throw them broadcast among the public? Ought it not to be more private?

MR. SEARS:—The apprehension of criminals?

MR. FARRELL:—No, the Alliance Against Fraud.

MR. SEARS:—I think it is the utmost good to do it.

DR. LEMON:—Mr. Sears, don't you think that almost irreparable harm has come from the publication of those articles in the journals? Isn't it a fact that by suggestion many criminals and many crooks, simply need to have their attention called to an easy way of getting a living, and that these articles instead of dissuading persons from bringing unjust claims, on the contrary have an effect which is harmful, by



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inducing them to bring claims and showing them an easy way?

MR. SEARS:—I think that is so, but a good deal depends on how you handle them.

MR. FARRELL:—Of course, the publishing is all right, but it may go to the people who are interested in seeing that no frauds are perpetrated, but I think if it was kept from the public and was circulated among railroad men, they would appreciate it, and as the doctor says, this publicity helps to make crooks.

MR. SEARS:—I think that is a matter of opinion. If you go to work in an article and paint glowingly of how some charming woman succeeded in getting the verdict of a jury, that may have some inducement in it for others, but if you hit right square at the facts, that the man was arrested and sentenced to the penitentiary, for perpetrating fraud, and that does no good, then where does the law come in as a deterrent for crime?

MR. FARRELL:—You might say, does electrocution stop murder?

MR. SEARS:—Let me ask you if you would stop electrocuting because it doesn't stop murder?

MR. FARRELL:—No, I would not.

MR. HARDIN:—I move that a vote of thanks be extended to Mr. Sears for the very intelligent talk that he has given us.

(Motion seconded and carried.)

ACTING PRESIDENT BRADLEY:—I wish to announce that at three o'clock this afternoon there will be a convention photograph taken. I would like to have as many here as possible so that we can have a good and complete group.

MR. DUNLOP:—May I say a word about this alliance? It occurs to me that there may be a good deal of opposition in our association against perhaps the method of the alliance, or at least as far as it is responsible for the publications. I think there evidently is some feeling of that kind, and personally I am quite in sympathy with the feeling. I think it is the utmost folly to publish broadcast the articles that, at least in some cases have been published, and I think it is generally

harmful, but on the other hand I think we ought to appreciate the fact that no matter what the methods have been of the alliance, that it is out for good; that it is intended for good, and that it serves a tremendous purpose for good.

With such an alliance as that, opportunities would be found which our little association could not have, because it does not reach far enough.

Now, I think it is the duty of this association to become identified in some way with the alliance, and from the inside we can express ourselves much more freely, and we could help to eliminate whatever follies there may be in its methods, and help very largely towards other methods, which perhaps would be a little better.

The fact that we do not perhaps agree exactly with what it does, is certainly no reason why the association here should not cooperate with everybody who is interested as we are, in preventing fraud. I say there is no reason why we should not identify ourselves with it and work to the same end, and it seems to me that it would be of great advantage to do that. We should take some action to identify ourselves with it. It seems to me the more the street railways and the member-companies join in that movement, the better, and so far as these methods are concerned, in regard to publication, we could in our way, as I say, try to prevent the harm that is being done.

I think Mr. Sears, perhaps, will agree with me about that.

MR. SEARS:—I think that is excellent.

DR. LEMON:—I would like to offer the following resolution: That it is the sense of this meeting that the executive committee be and hereby is requested during the coming year to investigate this Alliance Against Fraud and make a report with recommendations to the next annual meeting.

MR. SEARS:—I would like to make an amendment to that. It defers action a year. Now, if Dr. Lemon is willing to leave it entirely with the discretion of the committee, if it sees fit to do it at once, a year might be gained. Otherwise, it goes over a year.

MR. TICHENOR:—I move to amend that motion that the committee report at the beginning of to-morrow morning's session.

ACTING PRESIDENT BRADLEY:—I am afraid the committee has got all it can handle during the short time we will be in session.

MR. DUNLOP:—I would like to second Mr. Sears' amendment. It seems to me that the executive committee should be empowered to act. It seems to me that if our executive committee is responsible, and it should be made up, and I have no doubt it is made up, of men who are entirely capable of handling this subject, that it ought to be able to determine for this association whether or not it ought to be identified with the Alliance Against Fraud, and it seems to me entirely proper that it should be given power to take action in the matter.

MR. WEH:—There is one more question I would like to ask of Mr. Sears, and that is, if this alliance is in any way identified with the National Insurance Company?

MR. SEARS:—Not in any way connected with the company, although my company is a member of both. I believe that none of us can be associated with too many associations. It is like some lawyer who joins all the Collection Agencies.

DR. LEMON:—My purpose in offering the resolution as I did was for the reason that, first, sufficient time should be given to thoroughly investigate this proposition, which is essentially a new proposition. Further, that there must necessarily be some expense connected with it, and before becoming a member of this alliance, it seems to me we should confer with the general managers of the companies we represent to ascertain whether or not it meets with their approval, and whether or not they are willing to contribute to that extent.

MR. FARREL:—That is right. I don't see where any member here has the right to act in this matter without first consulting his company.

MR. SEARS:—The fee is very small; exceedingly small. I think it is one hundred dollars for the entire association.

MR. DUNLOP:—There seems to be a misunderstanding. Your idea is simply that the association here should take out a membership and not that each company should bind themselves?

MR. SEARS:—Yes.

MR. HARDIN:—In what way would the association be able to affiliate itself? How could the members avail themselves of this information? We have perhaps fifty or more delegates here who are interested. How are we going to arrange whereby each company can get the benefit of this information?

As a member of the executive committee I feel that I would not like to recommend one way or the other with reference to this new proposition until I am able to inform myself thoroughly as to its methods, its extent, its expense, and so forth.

MR. SCOTT:—As an amendment to the resolution, I move that the Special Committee of five be appointed to report to this convention at the next session on this subject.

Motion seconded.

DR. LEMON:—I move that the resolution as seconded be laid on the table.

Motion seconded.

MR. SCOTT:—In defence of my amendment, I want to say I thought that this matter was one that would require some investigation, as has been suggested, and that my motion would give an opportunity for this Special Committee to look into the matter and make an intelligent report to this convention; to act hastily at this time would certainly be unwise. If the alliance is meritorious, to defer it a year would be unwise, and I can conceive of no better plan than to have a committee look into the matter and give it time to investigate. I say this in defence of the amendment.

SECRETARY DAVIS:—As the funds of this association are issued by the parent organization, I think it would be advisable that we ask the parent organization to appropriate this one hundred dollar fee for membership, and if it sees fit to go in it, we will all go in it, and if it does not, then we cannot, unless each company wishes to go in it individually.

(Question called for.)

MR. TICHENOR:—May I say a word in connection with what the secretary has just stated? It seems to me that this body does not know whether or not it wants to make a

request of the parent organization to appropriate one hundred dollars for the purpose of our becoming a member of this alliance, and I see no better way to get at what we want to do here than to refer the matter to an appropriate committee that might want to look into it to some extent. This motion does not require that this committee report that we shall become a member or shall not become a member to-morrow, but to report progress or the probable good results that might come from it, and whether we do or do not want to go any farther with it, and if we do not, the whole thing might be dropped to-morrow. The committee might report that it did not want to do anything more with it. It may report that it wants to go on and look into it, and we might send a committee to find out whether or not the parent association would be willing to contribute one hundred dollars.

DR. LEMON:—I call for the question.

ACTING PRESIDENT BRADLEY:—It has been moved and seconded that this motion be laid on the table.

Motion to lay on the table carried.

MR. SCOTT:—As I understand the motion as carried, it simply disposed of the amendment. The original motion should now be before the house. Am I correct, or am I not?

ACTING PRESIDENT BRADLEY:—You are correct, in my opinion.

MR. CARPENTER:—I move we proceed to the original motion. The original motion was that the matter be left with the executive committee, as I understand it.

MR. SCHOENEN:—I would amend that by adding “with the power to act.”

Motion that the matter of the Alliance Against Fraud be referred to the Executive Committee with power to act, duly seconded and carried.

ACTING PRESIDENT BRADLEY:—We will now take a recess until 2 o'clock p. m., at which time the executive committee will report on the nomination of officers for the ensuing year.

TUESDAY AFTERNOON SESSION,

OCTOBER 15, 1907.

The convention was called to order at 2:00 p. m., by Acting President Bradley.

SECRETARY DAVIS:—The executive committee having considered the matter of officers for the ensuing year has made the following nominations, and as secretary and member of that body, I beg leave to submit the following report:

For President — H. R. Goshorn, General Claim Agent, Philadelphia Rapid Transit Co., Philadelphia, Pa.

For 1st Vice-President — Andrew J. Farrell, Claim Agent, International Railway Co., Buffalo, N. Y.

For 2d Vice-President — W. F. Weh, Claim Agent, Cleveland Electric Railway Co., Cleveland, Ohio.

For 3d Vice-President — J. S. Harrison, Claim Agent, Jacksonville Electric Co., Jacksonville, Fla.

For Secretary and Treasurer — B. B. Davis, Claim Adjuster, Columbus Railway & Light Co., Columbus, Ohio.

ACTING PRESIDENT BRADLEY:—Gentlemen, you have heard the report of the executive committee on the nomination of officers.

DR. LEMON:—I move that the secretary cast a ballot for the convention for the officers as nominated.

Motion seconded and carried.

ACTING PRESIDENT BRADLEY:—The next order of business is a paper by Mr. Ellis C. Carpenter.

THE SELECTING AND TRAINING OF INVESTIGATORS
AND ADJUSTERS FOR THE CLAIM DEPARTMENT.

By ELLIS C. CARPENTER, *Claim Agent*,
Indiana Union Traction Company, Anderson, Ind.

This is a subject that the writer feels is one to which he cannot do justice and should have been assigned to some one of broader experience. Inasmuch as our worthy secretary has been so insistent and one of the first qualifications of an adjuster should be loyalty, I have consented to take a look at the subject from our view-point, not

with the idea of being able to instruct those who may listen to the reading of this paper, but more with the idea of contributing something on the subject, trusting that it will be followed by a lively discussion in which there will be an exchange of ideas and out of the whole there will be much benefit.

Let us look at the Investigator first. I assume it to be the duty of an Investigator, in pursuing the investigation of accidents and matters incident thereto, to secure reliable and accurate information and develop a state of facts from which the adjuster, or head of the claim department, may determine what should be done in the particular case under consideration, and whose statements, where necessary, will be verified by sworn testimony.

In order to do this, what are some of the qualifications which a successful Investigator should possess? He should be loyal to his department and the interests of his employer. He should be of pleasing address and sufficiently familiar with the English language to be clear in his statements. In some localities where there is a large foreign population, he should also be able to speak whatever language is spoken by the class of people with whom he is expected to deal. His penmanship should be legible and his spelling correct, although in securing evidence and taking statements of witnesses, the best results are obtained by using the peculiar expressions of the witness and putting the statement as nearly as possible in the witness's own words, being careful to make it clear as a whole. He should have a spirit of fairness in his manner and dealing that will win the confidence of the persons with whom he comes in contact, together with frankness and sincerity in seeking information. His countenance should be open, with the ability to look his man squarely in the eye, without wavering, but with a softness of expression that will at once tend to put him on easy terms. These will be sufficient to successfully deal with fully three-fourths of the general public.

But what of the other one-fourth? Among these latter will be found persons of all ages, types and nationalities, and with all the peculiar characteristics with which peculiar people are endowed. It is the latter class (if we may so class them) that taxes the ability of the investigator. In order to successfully meet and secure information from such, we will suggest some other characteristics and conditions that will aid the Investigator in his work. His countenance should be pleasing, his personality attractive, with a sufficient force of character to command the respect of others. His manner should be considerate, not officious; willing, if necessary, to listen to a tale of woe and by a proper show of sympathy or a pertinent remark in a humorous or other vein, to turn the mind of the witness in the proper channel and guide his thoughts along the right line without apparent effort. His sense of humor should be sufficiently developed to appreciate a story when told by the other fellow, so as to enable good

terms to be established between the parties, but sensible enough not to let his own humor run rampant.

He will find many persons who are critical and faultfinding, but after the criticism has been made or the fault (either real or fancied) pointed out, he will seldom find it necessary to flatly contradict it, although he may know it to be wrong, but he can indicate some of the troubles of a motorman or the things which harass a conductor, appealing to the sympathies of his man, by putting him in the conductor's place and seeing what he would do under like circumstances.

He should be able to adapt himself to circumstances and surroundings to such an extent as not to appear to be above the level of the person from whom he seeks information.

He should be sufficiently capable in his judgment of human nature to discern the side of his man easiest of approach and warm up to him in the quickest way.

He should be sufficiently advised upon the subject under investigation to know what he is looking for and recognize it when he sees it, without embodying, in procuring statements of witnesses, a vast amount of immaterial or irrelevant matters. This comes, however, only after careful study and considerable experience. There are persons who are hard workers and conscientious, who do not have sufficient capacity to distinguish between a supposition and a positive statement, an opinion or a statement of a fact, and whose investigations, when supposedly complete, do not contain sufficient information upon which to predicate a theory of defense or to know, with any certainty, how an accident occurred, nor who is responsible.

His honesty should be above question and likewise his morals.

He should be clean of speech, correct in his personal habits and as neat in dress as circumstances will permit, but care should be used not to overdress in dealing with the poorer and middle classes.

His temper should, at all times, be under control, but a glance at his face should reveal to the other fellow a goodly quantity that is held in reserve for emergency. In rare instances a quick, sharp outburst of the right proportion, will bring your man up with a halt and then you can lead him on at will, but men, as a rule, can be led far easier than driven.

I know of a case, however, where an investigation was being made which involved some valuable information from the department of the master mechanic of a certain road; the master mechanic failing to appreciate either the importance of giving the information or the grit and activity of the investigator, threatened to thrash him if he bothered him any more; suffice it to say the matter was determined then and there, the information secured by the investigator, while the doctor ministered to the needs of the master mechanic, who nursed a very sore head. In the case in point, the proper remedy was administered, but I am glad to know such cases are rare.

The investigator should, as these various phases indicate, be above the average in his judgment of human nature, so that he may use his own weapons in firing the rightly proportioned shot in the right way at the bull's-eye of his subject.

He should not overlook the fact that information is sought largely from disinterested persons, and that they are conferring a favor on him, and due appreciation should be shown.

I am well aware that all investigators do not have all of the various characteristics referred to, but in the selection of men for this work as many of them as possible should be possessed, combined with a liberal allowance of good sound horse sense, which will carry a man over many a rough place and enable him to be a success in this work.

You cannot lay down a set of inviolable rules which are applicable to this work on account of the varied personalities and conditions with which the Investigator comes in contact. He should be allowed wide latitude in approaching and dealing with men in his own way, but keeping in mind three things: 1st. Secure facts as accurately and intelligently as possible. 2d. Be fair and frank in his dealings, thus making friends. 3d. Take his leave always in such a way that he may, if necessary, see his party again.

As to the successful adjuster. Most of what has been said of the investigator is applicable to him. As the adjuster's work brings him in contact with that phase of human nature that is not only willing but desirous of getting something for nothing, he must be a person of a more positive character, who is capable of meeting all classes of people in a pleasant way, commanding their respect and at the same time maintaining his own. He must be able to act quickly, say "yes" or "no" as the exigencies require and have the ability to discern the psychological moment to a close deal. He must read his man as he goes, and talk to him either directly or through a second person, for there are times when a side remark to some one else will soak in and be more effective than a direct statement to the claimant.

He must be familiar with the legal phases of his work so as to command the respect of the legal representatives of claimants and not be trapped or made to fear a case that is close, but he must be able to intelligently discuss the case, where necessary, and put his opponent on the run.

He must have some knowledge of anatomy, the muscular and nervous systems of man, and be able to impress claimants with his ability to read symptoms and diagnose real conditions, and where necessary to meet attending physicians or others and by asking intelligent questions elicit information regarding real conditions, and not be imposed upon by fictitious statements.

The adjuster, many times, must take up the investigation of expert evidence and meet attending physicians and by the grasp of the sub-

ject shown by intelligent interrogation, he is less likely to be dealt with unfairly. If he has reason to believe this to be the case, he can manoeuvre his case so as to secure whatever additional physical examinations he deems necessary by his own physician, or he can commit the attending physician in a written statement regarding a claimant's condition that will be far more favorable when a compromise seems pending, than the testimony of the physician will be in court and which will be quite handy with which to confront the physician during the trial, should he give testimony at variance with his signed statement.

It pays handsomely to be friendly with the physician. One of the most effective ways to secure his friendship is to protect him in his bill for services to the claimant. The money, in this way, is paid direct to the physician by the company and he is more likely to serve the fellow who pays the bill. What does it matter to you if you allow an extra ten dollars to the physician, if he helps you save a hundred or so in a settlement? Isn't it a good investment?

In my opinion, it is good policy, so far as possible, to close a case pleasantly, having it understood by all parties concerned, and leave the matter in a friendly way. Seed sown in this way is sure to be harvested later by the friends of satisfied claimants being told to deal directly with the adjuster, instead of through attorneys, should they have a grievance to adjust.

In a large percentage of the cases, the adjuster must take the initiative and yet be on the defensive. In liability cases, where attorneys have not been employed, he must seek his party, grasp conditions instantly upon meeting and master the situation in his own way. No one can tell him just what to do, for he deals largely with persons with whom he has had no previous acquaintance. Opinions are formed, conditions created, settlements made or foundations laid for settlements upon the instant. The adjuster must be able to tell, from the manner in which he is received, whether or not he should strike at once at the proposition or use his ability to create better conditions. That person does not live who can intelligently direct me how to meet and deal with some one with whom he has no acquaintance, and I am sure I would not be egotistical enough to attempt to direct some one else by giving specific directions for such individual cases. The adjuster must care for and deal with them in his own way, meeting contingencies as they arise, his success being measured by the results he is able to attain.

There is no department of the railway service that is so likely to be brought in contact with every other department as the claim department. This being true, both the Investigators and the adjusters should conduct themselves in a manner to keep the good will and respect of the other departments by not catering to any particular department or individual, but dealing fairly with all. Be sure you

are right before making a positive assertion, fixing the blame for an accident, permitting it to rest just where it belongs. In other words, serve your company and not any particular department. When such a reputation has been established, your judgment will be recognized, and your opinion sought by the proper officials of your company.

I would not know where to look for a more congenial, courteous or whole-souled set of fellows than among the Investigators and adjusters of this association. We all have our own cares and pleasures in our every-day work and we should be stronger therefor. Let us all work together to strengthen the association, better the railway service and protect our companies from fraudulent claims.

ACTING PRESIDENT BRADLEY:—I must leave you for a short time, as I am due at the meeting of the parent organization, to confer with the executive committee. The discussion of this paper will be in order now.

SECRETARY DAVIS:—I will ask Mr. Farrell to assume the chair in the absence of our Acting President, Mr. Bradley.

Vice-President Farrell in the Chair.

MR. HARRISON:—I move that a vote of thanks be extended to Mr. Carpenter for the most excellent paper which he has just read.

Motion duly seconded and carried.

VICE-PRESIDENT FARRELL:—Is there any gentleman here who has anything to say or who wants to ask any questions?

Discussion of Mr. Carpenter's Paper

DR. RYAN:—I want to say a few words in defence of the physician. For some time I was on the other side of the fence, but of late years I have been on the railroad side. If there is one thing I learned it was the feeling which I thought should exist between the claim department and outside physicians.

Since I have been in the claim department I have always asked the opinion of the family physician concerning the injuries in a given case. I always cater to his opinion. If I make the examination myself, then of course, I am in possession of the facts and do as I like, but where another doctor is suggested to make the examination, I always say to him, "Get the opinion of the family physician, because if you

go into court, you are in possession of what the medical or surgical testimony of the other side will be."

So in all examination blanks for the examination of injured people, I would suggest that space be provided for the opinion of the family physician.

MR. DUNLOP:— There is one thing I would like to ask, Mr. Carpenter, and that is, to go into a little more detail in regard to the actual training of your investigators and adjusters. I mean to say by that, when you take a green man, for instance, how do you go about it, and from what source do you get him?

MR. CARPENTER:— I don't know as I have any rule that is inviolable. The men whom I have had at work under me and who are working for me have come from nearly every walk of life. I have failed to find any single individual who is thoroughly qualified for the work before he comes to it. You have to educate men for it and equip them. You do not find them already made and equipped for this work.

I first get them thoroughly familiarized with the work in the office and then take them with me and get them familiarized with my way of doing work, and getting statements. You can show them how to get statements in the office, but you should have them go out with you or send them with some one who is familiar with that line of work.

Show them how not to make mistakes, but how to get over the stumbling blocks. Nobody is perfect, but you can guide them by looking over their statements and showing them how to get better statements.

MR. DUNLOP:— How did you draw them? Do you get many of the men from among the employees?

MR. CARPENTER:— I never have had one yet that has been connected with the company as motorman or conductor. I failed to answer that question in the question box, because I have never had that experience. I don't know whether that is best or not, so I will leave that for the consensus of opinion of the convention.

VICE-PRESIDENT FARRELL:— We will close under that head, and proceed to the Question Box.

QUESTION BOX.

Question 1.

Is medical expert testimony beneficial in litigation? If so, why? If not, why?

ANSWERS.

I do not think it is beneficial for the reason that expert testimony can be purchased by either plaintiff or defendant. However, it is necessary to controvert the testimony of the experts of the plaintiff, but its effect on a jury is confusing and I think of very little value.

— *Atlantic Coast Electric Railway Co., Asbury Park, N. J.,
GEO. B. CADE, Claim Agent.*

Yes, from an educational standpoint.

— *Austin Electric Railway Co., Austin, Texas, W. J. JONES,
President and Manager.*

Medical expert testimony is very seldom of any benefit to the company.

— *Benton Harbor-St. Joe Railway & Light Co., Benton
Harbor, Mich., H. C. MASON, Manager.*

No. Because either side can always secure reputable physicians to testify contradictory to each other.

— *Connecticut Valley Street Railway Co., Greenfield, Mass.,
J. A. TAGGART, Superintendent.*

Yes, as in any case it enables the trial attorney to correctly determine whether or not the injuries claimed resulted from the accident; if they did not, to intelligently object to the testimony relative thereto, and if this objection be overruled, to present the question as error on review. In a case in which there is no controversy as to the facts it is especially useful as it gives the trial attorney something to argue before the jury as regards the injuries, without which he would be obliged to remain mute.

— *Chicago Union Traction Co., Chicago, Ill., H. C. BRADLEY,
Adjuster.*

Yes. In many cases, by high-class medical evidence you are able to show that the ailments claimed by plaintiffs were not caused by the accident.

— *Chicago City Railway Co., Chicago, Ill., R. S. ROWLEY,
Claim Agent.*

As a general rule I would say no, but conditions arise in certain cases which make it necessary to use expert testimony.

—*Cleveland Electric Railway Co., Cleveland, O., W. F. WEH,*
Claim Agent.

Expert testimony is an expensive luxury and my opinion is that it does not pay, especially if a corporation uses the same expert in all cases, although there might be cases where it would be advisable. But if the expense of the expert was added to the amount of the claim made and given to the claimant, instead of to the expert, in my opinion, money could and would be saved.

—*The Denver City Tramway Co., Denver, Colo., SAM C. DORSEY, Claim Agent.*

Yes, to a certain extent. A little of it goes a great way. Too much of it is tiring and confusing to the average jury. A good plain statement of facts by a recognized reputable physician is as good as a dozen experts and costs less.

—*Fitchburg & Leominster Street Railway Co., Fitchburg, Mass., H. K. BENNETT, Claim Agent.*

It all depends upon the nature of the case. If the claimant is faking, expert testimony may be beneficial, but if there is no question as to the claimant's injuries expert testimony is not necessary.

—*Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind., FRED R. FAHLSING, Claim Agent.*

In most cases, yes; dependent upon the nature of the injury. Unless carried to a ridiculous extent the jury will give more credence to it than to the ordinary statement of a physician. In some cases it would be unnecessary, but claims on account of nervous troubles and fraudulent subjective ailments can be fought often with success by the expert testimony of a physician as to what really should be the patient's condition judging from a thorough examination.

—*Georgia Railway & Electric Co., Atlanta, Ga., C. H. MATHEWS, Claim Agent.*

I do not think so. The plaintiff can also bring in expert testimony, making it quite expensive.

—*Houghton County Street Railway Co., Houghton, Mich., FRANK O. MAYOTTE, Claim Agent.*

In many cases, yes. But the best medical expert is the elderly looking doctor, who will put his testimony into simple words, not dwell upon fine spun theories, and tell the real conditions as he finds them. There are some cases, however, where it is necessary to meet alleged conditions with high class medical expert testimony, so as to show

that these conditions are mere theories or the result of conditions prior to accident, and not the result of injuries received in an accident.

—*Indiana Union Traction Co., Anderson, Ind., E. C. CARPENTER, Claim Agent.*

From the standpoint of the defendant, it may or may not be beneficial, depending upon the facts in question, and should be determined from the requirements of the cases as they arise. No general rule can be followed.

—*Indianapolis & Eastern Railway Co., Indianapolis, Ind., WILLIAM TICHENOR, Claim Agent.*

Yes. Where are you when a case comes up and the other side confronts you with expert testimony?

—*Lehigh Valley Transit Co., Allentown, Pa., R. H. SCHOENEN, Claim Agent.*

Medical expert testimony is beneficial in litigation when the expert witness is appointed by the Court, for in this case the witness appears as one without bias or prejudice.

—*Louisville & Southern Indiana Traction Co., New Albany, Ind., CHARLES B. SCOTT, Claim Agent.*

Yes. In Arkansas when there is permanent injury alleged, the Court, on application, will appoint an expert to make physical examination and report at the trial of the case. The Court always appoints one or more doctors whose honesty and integrity are unquestioned, and whose superior knowledge over the professional fake claim doctor makes them very valuable witnesses. It is understood that we have to pay for the examination and for the expert testimony when we use the doctors as witnesses.

—*Little Rock Railway & Electric Co., Little Rock, Ark., C. J. KENDLE, Claim Agent.*

Yes, for the reason that claimants always allege more injury than expert testimony will admit.

—*Montreal Street Railway Co., Montreal, Que., PATRICK DUBRE, Secretary.*

Yes, if the nature of the injuries claimed by the plaintiff is contested. We have had most gratifying results in a few cases from the use of expert medical testimony, but never use this testimony except in cases where we think the plaintiff is a fraud or is magnifying the nature of his injuries. In some cases we have secured a verdict on the strength of our medical testimony and in others we have had the Court make large reductions in the verdict on the strength of the medical testimony.

—*The Northern Ohio Traction & Light Co., Akron, O., T. W. WAKEMAN, Claim Agent.*

Our experience is that expert testimony is of little use before a jury, but on appeal of a case it is an advantage before the higher Courts. This character of testimony is generally too technical for an ordinary jury to appreciate, but it is well to have it as part of the records of the case as the trial judge and the higher Courts on appeal may be influenced by it.

—*New Jersey & Hudson River Railway and Ferry Co., Edgewater, N. J.*, W. N. BARROWS, Vice-President.

Medical expert testimony is frequently beneficial, and sometimes necessary, in order to combat the mendacious allegations of unscrupulous doctors, expert and otherwise, who are called by counsel for the plaintiff. If you have on the jury a man who desires to be fair and just you must supply him with your side of the case to enable him to argue the matter intelligently with his colleagues in the jury room.

—*Philadelphia Rapid Transit Co., Philadelphia, Pa.*, H. R. GOSHORN, General Claim Agent.

In general it is; for the reason that plaintiffs almost invariably exaggerate the injuries received. In such cases it is very important to have medical expert testimony, and if the medical witness be an expert as a witness, his testimony may be made to go far toward convincing the jury that the suit is an attempt at extortion.

—*Petaluma & Santa Rosa Railway Co., Petaluma, Cal.*, E. M. VAN FRANK, General Manager.

Very little. The dog knows his master's voice and licks the hand that feeds him. Jurors are as wise. You can't fool them.

—*The Pueblo & Suburban Traction and Lighting Co., Pueblo, Colo.*, H. P. VORIES, Claim Agent.

Expert testimony is certainly beneficial in litigation to rebut and set aside false testimony as to extent of injury, and probable duration of time injured party will be laid up; and to block recovery on any old injury or disability.

—*Rochester Railway Co., Rochester, N. Y.*, J. E. JOYCE, Claim Adjuster.

Yes. If the expert has a standing within the knowledge of the jurors, he might be believed, because the expert and the family physician never agree.

—*Scranton Railway Co., Scranton, Pa.*, STEPHEN DWYER, Chief Claim Agent.

Yes. It is the only intelligent way to explain to a jury whether an injury is permanent or not.

—*Sioux City Traction Co., Sioux City, Ia.*, H. MORRISON, Claim Agent.

I think it good policy to use expert medical testimony in personal injury cases to show extent of injuries. We quite often have the Court appoint physicians to examine claimants who allege to have been permanently injured.

—*The Southwest Missouri Railroad Co., Webb City, Mo., S. W. GUNSALUS, Claim Agent.*

Yes. An injury may be simply the result of imagination produced by visions of big money returns and, as frequently occurs, good and competent medical experts go a long way in impressing a jury.

—*Tri-City Railway Co., Davenport, Ia., R. W. HOLLAND, Claim Agent.*

If the plaintiff puts on medical testimony which is exaggerated, it is advisable, in fact absolutely necessary, to put on experts to overcome the exaggerated ideas which the plaintiff's physician would probably instill into the minds of the jury.

—*The United Railways & Electric Co., Baltimore, Md., JAMES R. PRATT, Assistant General Manager.*

Yes. Especially when some "quack" doctor treated the injured person.

—*Wheeling Traction Co., Wheeling, W. Va., LOUIS LIPPARDT, Claim Agent.*

Discussion of Question I.

DR. LEMON:—There are two kinds of doctors, just as there are two kinds of lawyers, and two kinds of everything else. There are good lawyers and good doctors, and there are bad lawyers and bad doctors.

Now, the reason medical testimony has come into such general disrepute, is that there are so many bad doctors; that there are so many men in our profession who are willing to sell themselves for a consideration to the side that employs them.

That is equally true of lawyers, and it is equally true of laymen in general.

But in the matter of expert testimony, I feel from a careful study of this matter, that the reputable physician has not been given the proper consideration his attainments demand, either by the trial court or by the Supreme Court; and this is largely due to the fact that there is so much apparent conflicting testimony, due to a misapprehension of technical terms, which are used on the stand. If the physicians, the

experts who are called by railroads, would talk to juries in the language of the people, avoiding all technicalities and all Latin names, and talk plain English, a good deal of very valuable testimony could be gotten which would benefit the railroad's side of the case. You cannot get along without medical experts.

When a good trial lawyer for the claimant puts on men of reputation and they make statements which the railroad physician knows to be utterly different from the facts, you must put on not only one but half a dozen first-class experts in order to get a preponderance of testimony which can be reviewed by the Supreme Court; and the only way to meet bad testimony, or testimony on the part of medical experts which we believe to be bad, is to put in testimony by reputable men, and not by men who are regularly employed by the company, but picking out men from the profession in general, who are well known and have an established reputation, to put such men on the stand, that the jury may regard, as far as possible, their testimony as impartial.

The physicians in our city, Milwaukee, almost without exception, are reputable men. We have very few physicians who will get together with lawyers who are shysters. Very few of our physicians are tricksters. Very few of them will join with a shyster lawyer in bolstering up a case. We have half a dozen of them, and it is a fact that in almost every case that is tried, these men are recognized by the lawyers and are employed, but I find in the majority of cases that we try that it is not necessary for me to go on the stand, or for our side to put any expert on the stand. As a rule, the testimony given by claimant's physician, by reputable men, that testimony is fair and square and cannot be improved upon. Our practice in Milwaukee when the testimony is flagrantly wrong and flagrantly unfair, is to go upon the stand myself and to put on a number of reputable physicians, selecting the number that we may want, from those who have not been used more than once or twice before, and to always get good reputable men, and we find that the courts in Milwaukee, as Mr. Beggs said here yesterday, appreciate this, and, as he said, we never tamper with juries. The courts know that the

company intends to be fair, and the courts are impressed by this. We do get a fair hearing and good results from medical testimony that other communities do not seem to get.

MR. DUNLOP:—I would like to say just one word about this feature. I am rather familiar with it because I am in a little bit different position from most of the claim agents represented here, I happen to be one of the counsel for the company I represent.

We have a little different system. Our legal department and our claim department are one. There is no distinction between them, yet, I, as assistant attorney, have charge of all claims and claim agents and adjusters, and so forth. Their work is under me, and I see the cases when I care to see them, from the beginning, and in that way I have probably had some experience that a good many of you have not, that is, actual court experience, actual trial of the cases. I am engaged in the trial of most of the cases that we have.

Now, it is my experience that medical testimony can be and very often is very much over-worked. It is like every other question. It has got to be determined in each particular individual case, as to whether or not it is of advantage. I think it is a very dangerous thing. It is a thing that you cannot lay down any general rule about, and it is very dangerous to attempt to put medical testimony on in every case.

I think you agree with me, Dr. Lemon?

DR. LEMON:—Yes, sir.

MR. DUNLOP:—It is dangerous for this reason, that it is disadvantageous to emphasize the medical features of a case. If a doctor goes on the stand for the plaintiff and makes a straight forward statement, a statement which has some description of the person's injuries, and is a fair one, there is absolutely no sense in trying to break that man down, and the more doctors you put on the stand to try to break him down, and to explain in medical terms, what he has said, the greater emphasis you are placing on the plaintiff's injuries. In such cases it is best not to put anybody on the stand; simply let it drop. Forget it. If possible let the jury forget about what the doctors have said. But, of course, there are cases where, as Doctor Lemon has said, a dishonest doctor has

exaggerated, and has testified to things and symptoms that do not exist, and has testified to medical facts, as he represents them to be, which are false, and then it is absolutely necessary to break him down by medical testimony and show that he is not to be believed; but those are the only cases where medical testimony should be used.

Question 2.

Is it advisable to employ so-called private detectives in the investigation of certain classes of accidents?

ANSWERS.

There might be some cases when it would be to the company's advantage, but in the majority of cases I would prefer making all investigations with our own men.

— *Atlantic Coast Electric Railway Co., Asbury Park, N. J.,*
GEORGE B. CADE, *Claim Agent.*

Yes, else the companies would never get at the truth.

— *Austin Electric Railway Co., Austin, Texas, W. J. JONES,*
President and Manager.

I have had very good success in case of accidents and other claims. I think on certain occasions it is well to employ private detectives.

— *Benton Harbor-St. Joe Railway and Light Co., Benton Harbor, Mich., H. C. MASON, Manager.*

We have excellent results from our own detectives.

— *Connecticut Valley Street Railway Co., Greenfield, Mass.,*
J. A. TAGGART, *Superintendent.*

It is my opinion that the use of private detectives in the investigation of accidents is of comparatively small benefit. There are a few special cases in which it might be beneficial but, as a rule, the information desired should be obtained as readily by your own department employees and be far more reliable.

— *Chicago Union Traction Co., Chicago, Ill., H. C. BRADLEY,*
Adjuster.

Yes.

— *Chicago City Railway Co., Chicago, Ill., R. S. ROWLEY,*
Claim Agent.

It is absolutely necessary in certain cases if you desire to know the facts.

— *Cleveland Electric Railway Co., Cleveland, O., W. F. WEH,*
Claim Agent.

No. The average private detective charges more than a regular inspector or helper and there is very little danger of a regularly employed man in the claim department selling the company out, while there is a chance for the private detective to speculate as to who will pay him the most for the information he may possess.

— *The Denver City Tramway Co., Denver, Colo.*, SAM C. DORSEY, *Claim Agent.*

I hardly think it necessary to employ detectives of any kind in the investigation of any accident. I believe that if the claim agent acts openly and frankly with the parties with whom he is trying to settle that they will be honest enough in return to give him a complete statement of their side of the question. If the accident is of such a character that the conductor or motorman can report the names of witnesses, either passengers or others who have seen the accident, those witnesses, if approached properly, will give an unbiased statement of what they saw, and this kind of statement is what the company wants no matter whom it favors. If the company is liable, it wants to get rid of its liability as quickly and cheaply as possible; if it is not liable it ought to fight. Private detectives sometimes "encourage" witnesses by promises and "liquid" inducements to make statements which, when called upon to verify at a trial, they fail to do, telling either no story at all, or one directly contrary to the information given to the detective. If the claim agent possesses just a shadow of intelligence, he ought to be able to do his own detective work. If he does not possess enough intelligence to make investigations of this class, he should work at some other calling.

— *Easton Transit Co., Easton, Pa.*

Only as an extreme measure when all other efforts fail. The average private detective will make out a case whether there is one or not, for the sake of "making good." I had rather take a man from the ranks, and would expect a more truthful report.

— *Fitchburg & Leominster Street Railway Co., Fitchburg, Mass.*, H. K. BENNETT, *Claim Agent.*

Yes.

— *Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind.*, FRED. R. FAHLSING, *Claim Agent.*

In exceptional cases; but as a rule this work can be done by the force of the Claim Department with more safety.

— *Georgia Railway & Electric Co., Atlanta, Ga.*, C. H. MATHEWS, *Claim Agent.*

We have not, as yet, been compelled to do so.

— *Houghton County Street Railway Co., Houghton, Mich.*, FRANK O. MAYOTTE, *Claim Agent.*

In an occasional case private detective services are valuable, but as a rule they are not.

—*Indiana Union Traction Co., Anderson, Ind., E. C. CARPENTER, Claim Agent.*

Detective work is sometimes necessary. If a private detective can do it more effectively than the Claim Agent it certainly would be advisable to employ one, since the best service is always the cheapest.

—*Indianapolis & Eastern Railway Co., Indianapolis, Ind., WILLIAM TICHENOR, Claim Agent.*

No. Never allow any outside detective on a case.

—*Lehigh Valley Transit Co., Allentown, Pa., R. H. SCHOBENEN, Claim Agent.*

No.

—*Louisville & Southern Indiana Traction Co., New Albany, Ind., CHARLES B. SCOTT, Claim Agent.*

The great majority of investigations should be handled by claim agents, but there are a few cases in which private detectives can assist the claim department very materially.

—*Little Rock Railway & Electric Co., Little Rock, Ark., C. J. KENDLE, Claim Agent.*

We have tried it with good results.

—*Montreal Street Railway Co., Montreal, Que., PATRICK DUBEE, Secretary.*

It might be advisable in some cases. My experience has not been very satisfactory.

—*The Northern Ohio Traction & Light Co., Akron, O., T. W. WAKEMAN, Claim Agent.*

We have found it very advisable to employ detectives in some cases, but as a rule we prefer our own investigators.

—*New Jersey & Hudson River Railway and Ferry Co., Edgewater, N. J., W. N. BARROWS, Vice-President.*

In large cities where many persons derive a living from the practice of fostering litigation, working up "fake" claims, exaggerating injuries and keeping the facts in all cases with which they are connected from the knowledge of defendant corporations, the private detective is necessary. The term "private" is here used in the sense that his connection with the company is unknown to outsiders.

—*Philadelphia Rapid Transit Co., Philadelphia, Pa., H. R. GOSHORN, General Claim Agent.*

In certain classes of accidents it is imperative that the defense procure evidence that can best be obtained by skilled detectives. Detectives should rarely or never be employed unless the employer knows enough about their character and ability to place reliance on their reports, and even then their reports should be checked and corroborated.

— *Petaluma & Santa Rosa Railway Co., Petaluma, Cal.*,
E. M. VAN FRANK, *General Manager.*

Never employ a "so-called" anything. Get the best or none.

— *The Pueblo & Suburban Traction and Lighting Co., Pueblo, Colo.*, H. P. VORIES, *Claim Agent.*

I have found it beneficial in several fake cases, where parties went to hospitals for operations, to put one or two strangers in the hospital for rest and treatment so that they may be in touch with the nurses and fakirs, and keep posted on all that transpires regarding the supposed injured parties. If the so-called detectives are thoroughly experienced they should be able to gather considerable evidence. As for straight accident cases, an efficient claim department should be able to get along much better without private detectives, whom they cannot use as witnesses to testify in case of trial.

— *Rochester Railway Co., Rochester, N. Y.*, J. E. JOYCE,
Claim Agent.

Yes. In fake cases, if possible, get the detective to board in the same house as the claimant.

— *Scranton Railway Co., Scranton, Pa.*, STEPHEN DWYER,
Chief Claim Agent.

Yes; I think so, for you have to use operatives in personal injury cases whom the plaintiff, his witnesses or his attorneys are not acquainted with, a great many times to find out facts.

— *Sioux City Traction Co., Sioux City, Ia.*, H. MORRISON,
Claim Agent.

It depends largely upon the nature of the case. As a general rule a claim agent, or his assistants, should be prepared to do their own detective work.

— *The Southwest Missouri Railroad Co., Webb City, Mo.*, S. W. GUNSLUS, *Claim Agent.*

Yes. When a claim agent is well known, as in a town of our size, much can be learned and much information gathered by some one working under cover to learn the condition of plaintiff prior to and subsequent to the alleged injury, what statements were made and

all the facts regarding plaintiff which could not be obtained by the claim agent on account of being known in the locality.

— *Tri-City Railway Co., Davenport, Ia.*, R. W. HOLLAND,
Claim Agent.

Private detectives may be used to secure certain information. Their results, when received, however, should be followed up by experienced investigators, as the testimony of paid detectives has little or no weight with the Court or jury.

— *The United Railways & Electric Co., Baltimore, Md.*,
JAMES R. PRATT, *Assistant General Manager.*

Yes; in cases having the appearance of fraud.

— *Wheeling Traction Co., Wheeling, W. Va.*, LOUIS LIPP-HARDT, *Claim Agent.*

Question 3.

What should be the attitude of the company with respect to furnishing the press with particulars concerning accidents?

ANSWERS.

We find it an advantage to acquaint the press with the particulars in accident cases. I cannot see what advantage is to be derived from a policy of secrecy. Our experience has been that if you do not give them the story they will, in most cases, publish something worse than the true facts.

— *Atlantic Coast Electric Railway Co., Asbury Park, N. J.*,
GEO. B. CADE, *Claim Agent.*

Treat representatives of the press fairly, give them all the information possible as to the facts, thereby heading off any sensational stories.

— *Austin Electric Railway Co., Austin, Texas*, W. J. JONES,
President and Manager.

I think it is advisable to furnish the press with particulars of accidents. In case you refuse to do so, it is natural for them to pick up any information they can from outside people, and, as a usual thing, the company will get the worst of the article.

— *Benton Harbor-St. Joe Railway & Light Co., Benton Harbor, Mich.*, H. C. MASON, *Manager.*

I do not approve of furnishing information to the press, as, in my judgment, publication of particulars regarding accidents will have a tendency to educate or induce people to present claims, and the least

information given to the public, in my opinion, is far better for the company's interests.

—*Chicago Union Traction Co., Chicago, Ill.*, H. C. BRADLEY,
Adjuster.

By furnishing the press with the facts in regard to accidents you sometimes save a lot of unnecessary notoriety.

—*Chicago City Railway Co., Chicago, Ill.*, R. S. ROWLEY,
Claim Agent.

I think it depends entirely upon the paper. If it is fair to the company a limited amount of information might be beneficial to the company.

—*Cleveland Electric Railway Co., Cleveland, O.*, W. F. WEH,
Claim Agent.

In our city I think the less information given the better for, if information is given, the papers do not publish the facts as stated. If they can add something sensational they usually do so.

—*The Denver City Tramway Co., Denver, Colo.*, SAM C. DORSEY,
Claim Agent.

The press should be made to feel that it is being taken into the confidence of the company and information concerning any accident should be given apparently cheerfully and willingly. No statements, however, should be issued by anyone connected with the company unless he is authorized to do so and even then he should not issue too long a statement until he is fully conversant with all of the facts. It is impossible to prevent witnesses from talking or expressing opinions and it is also impossible to restrain the press from publishing what appears to them to be a good news item, even though the truth in it may be rather elastic. Under some circumstances it might be well to be open and free with information as it would tend to change public opinion toward the company rather than against it; but on the whole, I feel that a reticence in telling too much to the public is to be commended until all of the details of the case have been properly worked out and the management of the company is satisfied as to the real cause of the trouble.

—*Easton Transit Co., Easton, Pa.*

Great care and tact must be used in your attitude toward the public press. Bare facts without any frills is about the best way to get around it. If you know a reliable person who knows the circumstances, send the reporter to him. I have never seen any harm done in being honest with a newspaper man, and, on the contrary, a good deal of harm done by an attempt to conceal or belittle an accident.

—*Fitchburg & Leominster Street Railway Co., Fitchburg, Mass.*, H. K. BENNETT,
Claim Agent.

Statements about accidents of a minor character are all right to give newspapers, but full reports of serious accidents should not be given. Care must be taken at all times in reference to statements given.

—*Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind.*, FRED R. FAHLSING, *Claim Agent.*

Have an understanding with the newspaper men that if they will treat your statement fairly and not attempt to distort or confute it, you will give them all the information in your power. There may be some accidents where a full account might be damaging if presented to the public, but in most cases this plan can be followed.

—*Georgia Railway & Electric Co., Atlanta, Ga.*, C. H. MATHEWS, *Claim Agent.*

We have been very liberal with the press in all our accidents, and always furnish them with anything in the nature of a report of our investigation.

—*Houghton County Street Railway Co., Houghton, Mich.*, FRANK O. MAYOTTE, *Claim Agent,*

The less said about accidents in the newspapers, the better; whatever reports are given to the reporters should be based upon facts with as favorable a version of the accident as can be given.

—*Indiana Union Traction Co., Anderson, Ind.*, E. C. CARPENTER, *Claim Agent.*

No good to the company can come from giving to your adversary the particulars concerning an accident. The press has no use for them except to inform the public, which includes your adversary who would use the information to anticipate your defense and defeat you at the trial. I think, therefore, the company should be as non-communicative in its attitude to the public press as is consistent with good behavior.

—*Indianapolis & Eastern Railway Co., Indianapolis, Ind.*, WILLIAM TICHENOR, *Claim Agent.*

I see no reason why the press should not be furnished with details regarding an accident, provided it is given with caution; that is, do not give the names of witnesses or facts that would revert against the company.

—*International Railway Co., Buffalo, N. Y.*, A. J. FARRELL, *Claim Agent.*

I would never advise giving any information.

—*Lehigh Valley Transit Co., Allentown, Pa.*, R. H. SCHORNEN, *Claim Agent.*

The company should not furnish the press with particulars concerning accidents.

— *Louisville & Southern Indiana Traction Co., New Albany, Ind.*, CHARLES B. SCOTT, *Claim Agent.*

I do not think the company should furnish the press with particulars concerning accidents. In cases where people are seriously or fatally injured, I think we should furnish the newspapers with the information that really concerns the public without going into details. Any facts concerning the question of negligence and liability which only concerns the person injured and the company should never be told. By giving the reporters some of the information concerning accidents, it enables them to write their story, and they will not make as close an investigation and are not as apt, as they otherwise would be, to get hold of some one who is not friendly to the company for their information.

— *Little Rock Railway & Electric Co., Little Rock, Ark.*, C. J. KENDLE, *Claim Agent.*

Try to suppress publication of all accidents, and when it is not possible, give facts as briefly as possible.

— *Montreal Street Railway Co., Montreal, Que.*, PATRICK DUBEE, *Secretary.*

I do not run after the press to give them reports or particulars of an accident but when they hear of one and come to me for information I believe it is best to give the particulars and tell the truth. We have tried the plan of suppressing information but have always found that the newspaper reporters get a few facts, imagine others and write a story that is detrimental to the company.

— *The Northern Ohio Traction & Light Co., Akron, O.*, T. W. WAKEMAN, *Claim Agent.*

We give the newspapers information if they ask it, but withhold any details that would give any points as to the character of the defense we shall set up.

— *New Jersey & Hudson River Railway and Ferry Co., Edgewater, N. J.*, W. N. BARROWS, *Vice-President.*

It is generally advisable to furnish the facts when called upon and thus retain the friendship of newspaper writers. They will then be more willing to pass over or suppress, at your request, points that are of no special value as part of the news but that are of great value to you.

— *Philadelphia Rapid Transit Co., Philadelphia, Pa.*, H. R. GOSHORN, *General Claim Agent.*

Much depends upon the attitude of the press toward the company. As a general proposition it is much better for the company to write an account of any accident, than to try to conceal the particulars. In the majority of cases the matter will be given very little publicity if the company seems anxious to have it published. The converse is also true.

—*Petaluma & Santa Rosa Railway Co., Petaluma, Cal.,*
E. M. VAN FRANK, *General Manager.*

Don't volunteer. They'll find out enough. If they ask give them the truth but be economical with it.

—*The Pueblo & Suburban Traction and Lighting Co.,*
Pueblo, Colo., H. P. VORIES, Claim Agent.

As to furnishing the press with particulars of accidents I would say "no." It is private business and of vital importance, and should not be advertised.

—*Rochester Railway Co., Rochester, N. Y., J. E. JOYCE,*
Claim Adjuster.

If the truth is with you, be interviewed, if not, keep away from the reporter.

—*Scranton Railway Co., Scranton, Pa., STEPHEN DWYER,*
Chief Claim Agent.

I do not think it advisable to furnish the press with any particulars. It is dangerous to let the press or any person outside of your company know the particulars of any accident.

—*Sioux City Traction Co., Sioux City, Iowa, H. MORRISON,*
Claim Agent.

Better give the particulars to certain extent than have the press misrepresent the case.

—*The Southwest Missouri Railroad Co., Webb City, Mo.,*
S. W. GUNSALUS, *Claim Agent.*

The press in our cities usually come directly to this company for an account of accidents of a serious nature, unless some one of their staff happens to be at the scene. I give them the story of the accident as I would like to see it in print, but in the case of collisions of cars and derailments do not give names and addresses.

—*Tri-City Railway Co., Davenport, Iowa, R. W. HOLLAND,*
Claim Agent.

In bad accidents, it is advisable to give them a general report when asked for by the press, but do not go into details as to the cause of accident, etc. Be perfectly frank with the press; it has been our

experience that it is the best policy to treat the press fairly. When you can give them information without injuring your company, do so; when you cannot, tell them frankly that you cannot do so. This frankness is rarely abused.

—*The United Railways & Electric Co., Baltimore, Md.,*
JAMES R. PRATT, Assistant General Manager.

When called upon by the press, in most cases a full statement of facts would work beneficially to the company.

—*Wheeling Traction Co., Wheeling, W. Va., LOUIS LIPP-*
HARDT, Claim Agent.

Discussion of Question 3.

MR. HARRISON:—I will simply say we make it a point, whenever we have an accident the news of which is bound to get out, a serious accident, to always see the newspaper reporters immediately and give them the correct account of how the accident happened. In that way we have gotten the papers in our city so trained that before they will publish anything about a serious accident they will first look us up and see whether they have gotten a fair report of it, and I have found as soon as you treat the newspaper reporters white and see they get what is coming to them, that they will give you a square deal on every accident that happens. We only give them facts about accidents that we know are going to be published.

DR. LEMON:—Do you give them the names and addresses of the parties who have been injured, and all the facts?

MR. HARRISON:—Yes, sir, we give them everything.

MR. HARDIN:—So far as giving the names and addresses of the parties, it may be all right in a small town which is not infested with a lot of ambulance-chasing lawyers, but my own experience is that where the name of the injured party appears in the newspaper, he gets not only personal calls from five to twenty-five lawyers, but he will get a number of circulars.

These circulars say to these people, “Don’t give the street car company any information about how you got hurt. Don’t give them anything. Don’t let their doctor come to see you. Don’t sign any papers.” They also impress upon the man that he has a good claim against the company, regardless of the facts, and in that way, frequently, he will get an idea that he has a great claim against the company, and either

present it in that light himself or have one of the numerous lawyers present it to the company, and whenever the case gets into the hands of a lawyer, it is going to cost you more money, even though you fight it through the courts than it otherwise would, so I would think it ill advised to voluntarily furnish the newspapers with the names and addresses of injured persons.

MR. HARRISON:—In reply to the gentleman I would like to say this, that in my town the conditions may be different from those in the towns represented by others here. I dare say there are not fifty families in the city of Jacksonville that I do not know, and if I don't give the names, down there, they are sure to get them anyway. We couldn't hurt a coon way down in Yanatoo without his name getting in the newspaper.

MR. CARPENTER:—I would like to ask Mr. Hardin if he is successful in keeping that information out of the newspapers?

MR. HARDIN:—I find the greatest source of information to the newspaper is through the police department. The members of the police department in our city are very active around the scenes of accidents. They obtain the names and addresses of all the injured parties, if they happen to be there at the time or are there before the accident is cleared up.

Unfortunately, in our city, the records of our police department are open to the general public, and whenever the police obtain the name of an injured party, they report it to the different districts, and that becomes public property, so that you or I or any other citizen can go there and get that information. Of course, this being so generally known, the ambulance-chasing lawyers very naturally gravitate to the different districts. The newspapers looking for information go to the police department. In fact, frequently, when there is a serious accident the first thing the police department does is to telephone the press that there is an accident at such and such a place. In this way, as a general thing, the newspapers and the ambulance-chasing lawyers get their information as to our accidents.

DR. LEMON:— In regard to newspaper men, I have a friend who is a newspaper man, and he has told me frequently that a newspaper story is not a story at all unless it has a name attached to it.

Now, having gotten that tip long ago, when the newspapers of our city telephone me, when they have heard of an accident, if I know they cannot possibly get the names of the persons who have been injured, I always say, "Well, boys, here is a story where you haven't got the name." "Yes, we haven't got the name." "Well," I say, "if you haven't got the name you haven't got the story." "Well," they say, "you want to be a good fellow and give us the name." "That is a fact, isn't it?" I say. "Yes, it is a fact." "Then you haven't got the story!" That is the way I deal with them, and it doesn't appear in the paper.

Question 4.

Is it advisable to offer inducements, whether in the shape of rewards or otherwise, to conductors and motormen, with a view to reducing both the number and severity of accidents? Give reasons.

ANSWERS.

I would not offer any inducements other than are provided for in a good merit system.

— *Atlantic Coast Electric Railway Co., Asbury Park, N. J.,
GEO. B. CADE, Claim Agent.*

No; by so doing you put a premium on dishonesty and deceit. Prefer the merit system and find it works better.

— *Austin Electric Railway Co., Austin, Texas, W. J. JONES,
President and Manager.*

This method works very satisfactorily with some conductors and motormen, not in all cases, but I think it is well to reward motormen and conductors in some way who have the best records and the least number of accidents.

— *Benton Harbor-St. Joe Railway & Light Co., Benton
Harbor, Mich., H. C. MASON, Manager.*

No. This is a part of their duties,—the same as making out their "trip sheet" or "barn report."

—*Chicago City Railway Co., Chicago, Ill.*, R. S. ROWLEY,
Claim Agent.

I think not, for the reason that employes might not report all accidents which occur.

—*Cleveland Electric Railway Co., Cleveland, O.*, W. F.
WEH, Claim Agent.

No. Make it compulsory for trainmen to make full and complete reports. That is what the company pays them for. If rewards are given trainmen for their reports being full and complete, some who do not possess the education and ability to make thorough reports and fail to secure rewards may become jealous. Our trainmen are allowed six hours within which to make their reports, and if reports are not in within six hours it is charged against their record.

—*The Denver City Tramway Co., Denver, Colo.*, SAM C.
DORSEY, Claim Agent.

I do not believe that this method makes very much difference in the long run. An employe that does not report accidents or try to prevent them, is not worth keeping.

—*Fitchburg & Leominster Street Railway Co., Fitchburg, Mass.*, H. K. BENNETT, *Claim Agent.*

No. That is a part of their duty to avoid accidents.

—*Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind.*, FRED R. FAHLSING, *Claim Agent.*

Yes, as it offers a double inducement and incentive toward efficient service; both the fear of punishment and hope of reward. It stimulates a spirit of pride in the men to keep their records clear, and makes more noticeable any flagrant recklessness and following punishment.

—*Georgia Railway & Electric Co., Atlanta, Ga.*, C. H.
MATHEWS, Claim Agent.

I do not think so. It is part of their duty to do so.

—*Houghton County Street Railway Co., Houghton, Mich.*,
FRANK O. MAYOTTE, Claim Agent.

No. The offer of rewards to motormen and conductors will not tend to reduce the number of accidents. Should rewards be given with this in view the disappointed, who do not receive a reward, are very likely to be so much disappointed that they will not take even

the ordinary interest in attempting to prevent accidents, feeling that they have been unjustly discriminated against.

—*Indiana Union Traction Co., Anderson, Ind., E. C. CARPENTER, Claim Agent.*

I have thought it advisable to offer some such inducements with a view to publishing the standing of the men. I believe that publication would be a great incentive to them to use the utmost care. It furnishes them with a means of comparison which they can probably get in no other way. And yet I would not approve of a bulletin such as: June 26, 1907. Woman fell in getting on car No. 80, seriously injured; may die. John Smith, Conductor. Or, Car No. 64 ran into a herd of 30 head of cattle at Black Swamp; killed 11. W. R. Stewart, Motorman. Such would only tend to humiliate the men with no encouragement for better things. While an inducement in the nature of some form of reward, a slightly increased salary for the week or month, a little gift as a token of approval, a prominent place on the roll of honor, or the right to wear a badge indicating the best record would tend to inspire emulation and such emulation would beget watchfulness.

—*Indianapolis & Eastern Railway Co., Indianapolis, Ind., WILLIAM TICHENOR, Claim Agent.*

I think it a good system to reward careful motormen and conductors. Every man appreciates some act of his employer to show that his services have been acknowledged in some slight way, such as promotion, as occasion arises, or increase in salary for faithful service. The premium system has some draw-backs. This company had the premium system in force here for some two years, that is, each conductor and motorman who had the fewest accidents and best records for keeping their cars on time were allowed a premium of 25 cents per day, payable at the end of each year. It was necessary, however, for a man to put in the entire year in order to get the premium. Should a trainman be discharged before the expiration of the year it was generally his claim that the company discharged him to avoid paying the premium. For this reason the system was discontinued.

—*International Railway Co., Buffalo, N. Y., A. J. FARRELL, Claim Agent.*

Yes; for it would be an incentive for men to make a record for themselves.

—*Lehigh Valley Transit Co., Allentown, Pa., R. H. SCHOENEN, Claim Agent.*

No. Only those men should be employed in these capacities who are careful, intelligent and who use every means within their power to prevent accidents.

—*Louisville & Southern Indiana Traction Co., New Albany, Ind., CHARLES B. SCOTT, Claim Agent.*

Yes. It would be an incentive for motormen and conductors to a higher degree of efficiency. It would also show your men that their records were being watched closely, and that the officials are not slow to recognize and reward efficient service.

—*Little Rock Railway & Electric Co., Little Rock, Ark., C. J. KENDLE, Claim Agent.*

We have had for some years a monthly drawing in which all employes who have had no accidents or bad marks against them participate. It has had good results.

—*Montreal Street Railway Co., Montreal, Que., PATRICK DUBEE, Secretary.*

No. Accidents arise through the carelessness and negligence of the company's employes, also the negligence of the public. I do not believe that rewards will reduce either the number or the severity of accidents.

—*The Northern Ohio Traction & Light Co., Akron, O., T. W. WAKEMAN, Claim Agent.*

Do not think it is necessary to offer rewards. If a man has proved a safe and efficient operator he knows that he is in the line of promotion.

—*New Jersey & Hudson River Railway & Ferry Co., Edgewater, N. J., W. N. BARROWS, Vice President.*

The writer is of the opinion that the effect of such inducements would be to cause many accidents to be concealed. Conductors and motormen are usually as anxious as their employers to avoid accidents, and proper discipline will secure the proper amount of care on the part of platform men. By proper discipline, severe discipline is not necessarily implied. In the vast majority of accidents the platform men are in no wise to blame.

—*Petaluma & Santa Rosa Railway Co., Petaluma, Cal., E. M. VAN FRANK, General Manager.*

I cannot tell. We are trying it. It is working fairly well. There are many things against it.

—*The Pueblo & Suburban Traction & Lighting Co., Pueblo, Colo., H. P. VORIES, Claim Agent.*

The discipline should be such that conductors and motormen would recognize the fact that they must do everything in their power to avoid accidents, and will be dismissed from the service for not reporting accidents which occur in connection with their car.

The matter of inducements in shape of rewards does not, in my judgment, make them more careful. Conductors and motormen, who

get through the year without accidents, should be recognized by giving them merit marks, by a complimentary letter from the management, which they will, no doubt, appreciate as much as a reward in some other way, or by a short vacation at full pay, which might possibly be more appreciated.

— *Rochester Railway Co., Rochester N. Y., J. E. Joyce,
Claim Adjuster.*

Yes. The company which I represent gives credit marks to conductors and motormen. On the Brown system, if there is no demerit mark against your record for three months, this cancels one reprimand, six months' clear record, 5 days' credit, and so on for eighteen months; also on big days as Fourth of July, Circus days, and Decoration day, for careful and courteous service you are entitled to credit marks.

— *Scranton Railway Co., Scranton, Pa., STEPHEN DWYER,
Chief Claim Agent.*

No. Their sympathy would always be with the motorman and conductors. Strict discipline of conductors and motormen will reduce the number and severity of accidents more than compensation.

— *Sioux City Traction Co., Sioux City, Iowa., H. MORRISON,
Claim Agent.*

Yes, I think it good policy. Our method is to give merits for clean records. Merit marks are also given for complete accident reports and as a general rule our trainmen look forward to a clean record at the end of every six months when records are posted.

— *The Southwest Missouri Railroad Co., Webb City, Mo.,
S. W. GUNSAULUS, Claim Agent.*

I do not favor a plan of this kind. We have a merit and demerit system of credits and if a motorman is careful and has few accidents it is his duty and what he is paid for.

— *Tri-City Railway Co., Davenport, Iowa., R. W. HOLLAND,
Claim Agent.*

No. It has a tendency to cause them to shield accidents and pass over such accidents as they consider trivial, and which in most instances turn out to be most serious. In my judgment offering a reward would be putting a premium on blind or unreported accidents.

— *The United Railways & Electric Co., Baltimore, Md.,
JAMES R. PRATT, Assistant General Manager.*

Do not believe it would. Crews would fail to report minor accidents.

— *Wheeling Traction Co., Wheeling, W. Va., LOUIS LIPP-
HARDT, Claim Agent.*

Discussion of Question 4.

MR. HARDIN:—I don't want to take up too much of the time of the convention, but from our own experience I am decidedly opposed to anything of that character. When I first went with the United Railways Co., of St. Louis, it was very much beset with accidents. It didn't know what to do, so somebody proposed to the management that it offer a bonus of a certain per cent. increase of wages to those who did not have an accident for a year for which they were responsible, and this is the result that we had: Our cases where claims were made against the company, and of which we had no report, increased one hundred per cent. That is just the result that you will obtain from anything of this character, because the motormen and conductors as a class, unfortunately, are not so well grounded in the moral consideration for their company's interest, that they will undertake to give a report where there is the slightest chance of the blame being attached to them; if there is, in addition to the fact they will not be reprimanded, an increase in their salary if an adverse report does not appear against them.

MR. TICHENOR:—It strikes me that this is an important question, the most important question on the query box, and I am directly opposed to the last gentleman that spoke.

I cannot understand why it should be that the companies would not find out that accidents had occurred simply because the men on the cars have not reported. Occasionally it happens that there is an accident on our line that is not reported, but somebody brings it to us. I have got a woman over at Charlottesville that has been lying in bed for five weeks. That accident was not reported by the motorman, and when he was confronted with it he said he didn't know she was hurt, but the company knows it now, somebody reported it to us, and the company will know it pretty well before it gets through with it.

Now, our company does not offer any reward, but the men cannot afford to say, "I will not report the case because I will make for myself a bad record," the report will get there just the same, and then they will have a thousand times worse record because they didn't report it in the first place.

I don't believe we have got a man on our line who will not report every case, unless it is a case that the conductor didn't know anything about.

I wouldn't do this, gentlemen, for the sake of the reward. I don't believe that is the thing. I would give a reward of some kind. I don't know that it would be money. I don't know what it would be. I haven't figured that out. Probably the thing I am most favorable to is the right to wear a badge or something that shows that the man has been careful. That would be something to be done in the interest of publicity. I want to publish among our men the name of the man who has the best record. If a man has a bad record, it ought to be put up to him. He ought to know that everybody else knows that he has a bad record, and it ought to show for itself. If somebody wears a pretty, nice little badge, something made of gold that cost something, that shows that he has the best record for the month, and he is entitled to wear it for a month, and he will have to give it up if he does not retain that record. Gentlemen, he will do the best he can to retain it.

MR. DUNLOP:—I don't like to take up too much of the time with this discussion, but it seems to me it is a very important question.

The gentleman has only addressed his criticism to one particular phase of this question, and that is the giving of rewards to the men who have few accidents. I want to say again that it has been my experience that that does keep us from getting reports; but there is another phase to this thing, and that is something I have not tried, and I wish I could hear from somebody who has tried it. I would offer an inducement for reports of accidents, not to the man who does not have accidents, or to the man who does not have accidents for which he is responsible, but to the man who makes the best records as to reports; the man who never fails to make a report, and so on. I think every man here who has had the kind of experience we have had will agree with me, that the hardest case we have to deal with is that of the unreported accident, and the fact that our friend has no unreported accidents is peculiar to me. He must have a queer

system, but I take this stand, if I could get a report, no matter how meagre; if I could get simply a memorandum from a conductor every time anything happened on his car, with witnesses, no matter what he has to say about it himself; if he will simply turn in the fact that something happened and give me the witnesses, I don't care whether he does anything else or not. If you can induce the men to do that every time, you have made a tremendous step in advance, and I think if there is any way that that can be accomplished, it should be done.

MR. SEARS:—Mr. President, we have had no particular experience so far as rewards in themselves are concerned, but we have a system of stripes which we give to our old employes, as they grow older, which in some measure answers the matter of reward. We have some six thousand motormen and conductors. We cannot treat with the men individually, for that reason it must be collectively.

We have found by experience, that, as Mr. Harrison says, it is a good plan to give a man individually something to wear. I think we have as few unreported cases as any company of its size in the country. We have some; we are bound to, but I do think that the merit system of the employes, although treated collectively, if you take it individually, so far as that is concerned, it is commendable. It has been so from our experience.

At the end of the year, our operating department goes over the record of every one of those six thousand men and then if his record is good, so far as accidents are concerned, and also as regards his general discipline, not being tardy, missing no cars, wearing his hat straight, and all the things that are required, then that man is given at Christmas fifteen dollars in gold. The company pays something like one hundred to one hundred and fifty thousand dollars a year in that way. If a man does not report an accident, he doesn't get his fifteen dollars.

MR. RUDDEROW:—The company I represent has had experience in giving rewards or premiums to conductors and motormen who fail to have an accident, for a period of a month. A conductor or motorman that was free from an acci-

dent and did not have an accident during that time, is given a 10 per cent. premium of the amount of his wages for the month.

Experience in this matter convinced us it was very detrimental to the company, for the simple reason that the crews failed to report accidents and we soon found that we offered a premium for dishonesty. I am sure that a company that undertakes the giving of any reward or premium to a conductor or motorman for a matter of this kind, will find that it is a very unwise thing to do.

MR. MATHEWS:— We have in our company a system of merits which includes also a system of demerits. If a conductor does not make out his report, and we find he has had an accident and a claim comes in later due to his accident, he is handled and disciplined by the transportation department.

If another conductor sees the accident or hears of it later, he makes out a report of whatever he heard, or whatever he saw; whether it is definite information or not, it is something that we can base our investigation upon. If he makes out such a report of what he heard or saw he is given by the transportation department a certain number of merits for turning in a report for information connected with an accident, and in that way every man except the man who had the accident itself, works as hard as he can to receive these merits, and thereby cancel the demerits that he may have for some other reasons—for those other things that Mr. Sears spoke of, not having his hat on straight, reading papers on duty, looking back in his car, etc.

We also have a system of merits put in for giving the names of witnesses. We find that by meriting a man for sending in the name of a witness to a case, he will keep his eyes and his ears open all the time, and will hear people speak of it, or will hear the man himself speak of the accident or will hear of persons who saw an accident.

It has gone so far in some instances that our motormen and conductors when on the verge of being reduced on the roll of the standing of the men, which is included in the system, have gone and looked up witnesses and information to counteract these demerits, which were going to pull their

standing down. This has proved a very good system with us. One year we gave a uniform to each man who had not had an accident. That was to encourage the men. It was done as a premium for good work. It was simply a reward without any previous notice to them for their good record. Since that time we have not had any trouble.

MR. JOYCE:—On our system conductors and motormen, who do not make out accident reports where they are in connection with their car, are discharged; we have no further use for them. This has a good effect on the rest of the men.

As to securing witnesses, every employe is expected to interest himself to that extent, and our motormen and conductors receive merit marks for every witness they secure in connection with an accident that does not occur on their car.

MR. MATHEWS:—With our transportation department, that is the usual discipline that is applied to a man. Of course, in some cases, as I presume with you, the superintendent uses his discretion according to the facts in the case, but if a man does not report an accident, he is discharged, and a notice is placed on the board, where all notices of merits and demerits are placed.

Question 5.

What has been your experience in selecting assistants for the claim department from among the conductors and motormen on the company's cars?

ANSWERS.

Think they would make the best as, being more familiar with the causes surrounding accidents could more readily secure statements bearing directly on them.

—*Austin Electric Railway Co., Austin, Texas, W. J. JONES, President and Manager.*

We do not believe this a good practice.

—*Connecticut Valley Street Railway Co., Greenfield, Mass., J. A. TAGGART, Superintendent.*

Yes, some of our best employes come from men who were formerly operating cars.

—*Chicago Union Traction Co., Chicago, Ill., H. C. BRADLEY, Adjuster.*

This company has used a number of men in the claim department taken from "Train Service," and has secured some excellent men thereby.

— *Chicago City Railway Co., Chicago, Ill.*, R. S. ROWLEY,
Claim Agent.

Never had any.

— *Cleveland Electric Railway Co., Cleveland, Ohio.*, W. F.
WEH, *Claim Agent.*

No. Would prefer going outside for help and not create jealousy by not giving any conductor or motorman the preference in a situation with the claim department, although there might be some men perfectly capable and trustworthy, but would seek help outside of trainmen.

— *The Denver City Tramway Co., Denver, Colo.*, SAM C.
DORSEY, *Claim Agent.*

Do not believe it a practical scheme. Never tried it, but do not think the average motorman or conductor is adapted to such work.

— *Fitchburg & Leominster Street Railway Co., Fitchburg,
Mass.*, H. K. BENNETT, *Claim Agent.*

Have not selected any from among conductors or motormen up to the present time.

— *Fort Wayne & Wabash Valley Traction Co., Fort
Wayne, Ind.*, FRED R. FAHLSING, *Claim Agent.*

We have found that the selection of assistants in the claim work should be made from employes of the company, familiar with the business, whether from the train department or other branch. The practical experience of motormen and conductors fits them to a great extent, but in every instance a man's qualifications and special adaptation to such work should be the primary consideration.

— *Georgia Railway & Electric Co., Atlanta, Ga.*, C. H.
MATHEWS, *Claim Agent.*

Never had to use any and I don't think it advisable.

— *Houghton County Street Railway Co., Houghton, Mich.*,
FRANK O. MAYOTTE, *Claim Agent.*

I have called on motormen and conductors to render some slight assistance in isolated cases. It has always resulted in good. They feel honored by having been chosen and show their best metal. They usually do effective work under proper instructions and always emerge from the undertaking with increased friendship for the claim agent,

and in an effort to cause him less trouble become more useful to the company.

— *Indianapolis & Eastern Traction Co., Indianapolis, Ind.,*
WILLIAM TICHENOR, *Claim Agent.*

I think the best results are obtained by the appointment of men from the train service. They have had experience that is required as an investigator or an adjuster for the claim department; they have learned to deal with the different classes of people, and, to some considerable extent, have become readers of human nature; they know how the majority of accidents occur, and what should be done to avoid them, and they know the locations of the different lines. A trainman who has been in the service from four to six years has given sufficient guarantee of his honesty and reliability and has this much to start with, which an outsider would naturally have to learn. My experience has been that they are more faithful and efficient as investigators and adjusters in the claim department.

— *International Railway Co., Buffalo, N. Y., A. J. FARRELL,*
Claim Agent.

They have not proven satisfactory.

— *Lehigh Valley Transit Co., Allentown, Pa., R. H. SCHOENEN, Claim Agent.*

Good. Department is composed entirely of motormen and conductors.

— *Montreal Street Railway Co., Montreal, Que., PATRICK DUBEE, Secretary.*

Our experience in selecting assistants from among conductors and motormen has been very satisfactory. They are pretty sure to "know the ropes," and they learn the weak and strong points of the employes as individuals, and appear to have sources of information by having been in touch with their fellow employees.

— *New Jersey & Hudson River Railway & Ferry Co., Edgewater N. J., W. N. BARROWS, Vice President.*

The Philadelphia Rapid Transit Company has followed for a number of years the plan of recruiting employes of the claim department from among the conductors and motormen. Some of its most useful Adjusters and Investigators have been selected from the ranks. The men are taken on trial for thirty or sixty days. Their runs are held open and if a man fails to develop he is returned to his car. He makes a better conductor or motorman for this experience even if he fails to qualify for the claim department.

— *Philadelphia Rapid Transit Co., Philadelphia, Pa., H. R. GOSHORN, General Claim Agent.*

None. The theory is good, but believe the other conductors and motormen would be jealous and am disposed to doubt the advisability.

—*The Pueblo & Suburban Traction and Lighting Co.,
Pueblo, Colo., H. P. VORIES, Claim Agent.*

It is hard to get the right kind of material, and it is seldom found among conductors and motormen. There are, however, exceptional cases.

—*Rochester Railway Co., Rochester, N. Y., J. E. JOYCE,
Claim Adjuster.*

I have no experience as I have no assistant in our claim department. I believe that the claim agent should understand the mechanism and operation of the cars so that in the investigation of accidents he would not be easily misled by the motorman with reference to what could be done with the car in his charge under all conditions; but I would not be in favor of employing a conductor or motorman as assistant in the claim department.

—*Sioux City Traction Co., Sioux City, Iowa, H. MORRISON,
Claim Agent.*

Assistants for the claim department should be selected from among the trainmen. This has been our policy and has brought good results.

—*The Southwest Missouri Railroad Co., Webb City, Mo.,
S. W. GUNSALUS, Claim Agent.*

In my experience in a metropolitan claim department as adjuster and claim agent where there was a force of twenty or thirty men, the majority of them were from the train service. In fact they seemed to get a clearer insight into the style of statements wanted and to take more pains with their reports. I was not on the road myself but learned more when I started in the business from old-time conductors and motormen than I did from those who were not.

—*Tri-City Railway Co., Davenport, Iowa., R. W. HOLLAND,
Claim Agent.*

It has been our practice to select men from among the motormen and conductors, taking only those who have had long experience and have proven themselves loyal. A promotion from the ranks always tends to better service, and if for no other reason, I would encourage this practice.

—*The United Railways & Electric Co., Baltimore, Md.,
JAMES R. PRATT, Assistant General Manager.*

Conductors or motormen in some cases may be able to get at the facts quicker and better especially if the Investigator has worked on

the line on which accident occurred and has a passing acquaintance with witnesses.

— *Wheeling Traction Co., Wheeling, W. Va., Louis LIPP-HARDT, Claim Agent.*

Discussion of Question 5.

MR. HARDIN:— That is a very important question. Mr. Beggs yesterday expressed the policy with reference to the United Railways Co., of St. Louis, and the Milwaukee Electric Railway and Light Company of Milwaukee. We are here to learn, and I would like very much to hear from the other gentlemen.

MR. CARPENTER:— I would like to ask the representative of the Milwaukee Company how many men it has in its department, investigators and adjusters?

DR. LEMON:— Seven.

MR. CARPENTER:— How many of those have been employees, motormen and conductors?

DR. LEMON:— Five, but the rule was established only a few years ago, after Mr. Rausch came to the company.

I would like to say a word, as Mr. Rausch will not say any thing for himself. I have been with the Milwaukee Company twelve years, and during that time I have personally examined every man who has worked for the company. I find it necessary to ask the question from each man as he comes up. "What has been your business?" And I find we have men in our employ who have engaged in every walk of life from a druggist down to men employed as common laborers, although that class is not employed, but as these men come through for a second examination, when they come into the interurban service, after being in the service for a year, or two, they have been sifted out, and under the law of the survival of the fittest, we find some very good material goes into the interurban service.

I make note of these men and what their service has been, and when we need another adjuster I have a conference with Mr. Rausch and we select some one and bring the man to Mr. Beggs and he passes on him. He never yet has turned down anybody we have sent to him.

We have as chief clerk in the claim department, a man who was for seven years a druggist, trained in a most exacting occupation, a man who is most pains-taking, pleasant over the telephone, courteous, and a most agreeable man. That man was a conductor for some five years and then was promoted to be station clerk and we picked him up out of the station.

We have another man who is quite a linguist. I think for some three or four years he traveled with Barnum's Circus, two years when it was abroad, as an interpreter. That man has been of great service. We had a physician at one time employed as an adjuster, but we find there is sufficient good material on the platforms of the cars. Mr. Beggs has insisted upon this rule, as we have the merit system. Every man working for the company knows that in any department of the Milwaukee Electric Railway & Light Company, no one will be put in who is not already in the service of the company, either as an employe of the office or as a man on the platform of the cars. Everywhere men are moved up, and there is an incentive to remain in the company's employ.

MR. CARPENTER:—How much do you pay them?

DR. LEMON:—We pay them the same salary they have been making.

VICE-PRESIDENT FARRELL:—I think we ought to keep pretty close to the question. We ought to simply answer yes or no, with a small or short explanation. There are a great many people here and the time is getting short.

Question 6.

Does standardization of equipment tend to a reduction in accidents? Give reasons.

ANSWERS.

It might, from the standpoint of familiarity with the operation of certain equipments.

—*Atlantic Coast Electric Railway Co., Asbury Park, N. J.,*
GEO. B. CADE, Claim Agent.

Yes; prevents accidents, as men then are familiar with each equipment and do not have to learn over, how to handle the different types.

Motormen act mechanically in times of danger and the nearer alike the equipments are the less likely are they to make a wrong move.

— *Austin Electric Railway Co., Austin, Texas, W. J. JONES, President and Manager.*

Yes, standardizing equipments reduces the number of accidents on account of the trainmen being familiar with the operation of all equipments. It also makes it more convenient to keep rolling stock in repair by having interchangeable repair parts.

— *Benton Harbor-St. Joe Railway & Light Co., Benton Harbor, Mich., H. C. MASON, Manager.*

It is my opinion that the "highest standard" of equipment in use will have a tendency to reduce accidents.

— *Chicago Union Traction Co., Chicago, Ill., H. C. BRADLEY, Adjuster.*

Yes. When the public becomes acquainted with one style of equipment, there are apt to be less cases of people falling in boarding or alighting from cars; also the employes become more capable by operating one style of equipment.

— *Chicago City Railway Co., Chicago, Ill., R. S. ROWLEY, Claim Agent.*

I would think so; such as a standard car step, standard life-guard, etc.

— *Cleveland Electric Railway Co., Cleveland, Ohio, W. F. WEH, Claim Agent.*

Yes. The better a company equips its cars the better service can be given the public. The better you treat the public the better results you can obtain.

— *The Denver City Tramway Co., Denver, Colo., SAM C. DORSEY, Claim Agent.*

Yes. Because men are more familiar when they only have one kind of equipment to operate and shopmen by only having one kind of equipment can keep it in better repair.

— *Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind., FRED R. FAHLING, Claim Agent.*

We think so. Both trainmen and the public become more familiar with the equipment, having less to learn about the various means of exit and entrance—and the standard of work by employes and of care by passengers can be greatly helped.

— *Georgia Railway & Electric Co., Atlanta, Ga., C. H. MATHEWS, Claim Agent.*

A uniform equipment is better and would have a tendency of reducing accidents, the motorman being more certain of the control of his car.

— *Houghton County Street Railway Co., Houghton, Mich.,*
FRANK O. MAYOTTE, *Claim Agent.*

Yes. It is a matter of being accustomed to the equipment used.

— *Indianapolis & Eastern Railway Co., Indianapolis, Ind.,*
WILLIAM TICHENOR, *Claim Agent.*

Yes. A standard type equipment would assist employes and the traveling public in familiarizing themselves with it and tend to avoid many accidents. The conductor of a one-type car would be able to do his work more rapidly and promptly, such as collecting fares, assisting passengers on and off, and giving signals. The motorman in an emergency would not have to study out the problem whether he had an air or electric brake to handle before he did anything to bring his car to a stop; he would also, in case of anything being wrong with the working of his car be able in a shorter time to locate and remedy the defect. The traveling public would be better able to protect themselves in alighting and boarding cars, and would do so much more rapidly than to find a high step on one car and a low one on another, or a wide platform on one car and a narrow one on the other. The standardization of cars would also materially increase rapid transit, lessen cost of maintenance, and tend to insure more safety.

— *International Railway Co., Buffalo, N. Y.,* A. J. FARRELL,
Claim Agent.

Yes. The reasons are self evident.

— *Louisville & Southern Indiana Traction Co., New Albany, Ind.,* CHARLES B. SCOTT, *Claim Agent.*

Yes, men get familiar and understand thoroughly the equipment.

— *Montreal Street Railway Co., Montreal, Que.,* PATRICK DUBEE, *Secretary.*

No. In five years' experience with this company I cannot recall of an accident due to equipment. All of our accidents for which the company is liable are due to the negligence and carelessness of the employees.

— *The Northern Ohio Traction & Light Co., Akron, O.,*
T. W. WAKEMAN, *Claim Agent.*

It *should* certainly do so. Have had no experience that can be used for the purpose of comparison.

— *New Jersey & Hudson River Railway & Ferry Co., Edgewater, N. J.,* W. N. BARROWS, *Vice President.*

Unquestionably, for the reasons that: First, equipment will be kept in better state of repair; and second, platform men and passengers have only one kind of equipment to learn and keep in mind.

—*Petaluma & Santa Rosa Railway Co., Petaluma, Cal.,*
E. M. VAN FRANK, General Manager.

I am not acquainted with this subject.

—*The Pueblo & Suburban Traction & Lighting Co.,*
Pueblo, Colo., H. P. VORIES, Claim Agent.

Standardization of equipment should tend to reduce accidents, as conductors and motormen would be better acquainted with the equipment and the working of it, and the handling of passengers on standard cars, as against a mixed lot of cars, with each type, of which they must thoroughly post themselves in order to work to advantage.

—*Rochester Railway Co., Rochester, N. Y.,* J. E. JOYCE,
Claim Adjuster.

Our system has been standardized in the past five years and we have noticed no increase or reduction in the number of accidents by reason of standardization.

—*Sioux City Traction Co., Sioux City, Iowa,* H. MORRISON,
Claim Agent.

Yes. Trainmen become accustomed to one equipment and are not as liable to make mistakes in handling cars when they are standardized as they would be where a variety of different equipments are used.

—*The Southwest Missouri Railroad Co., Webb City, Mo.,*
S. W. GUNSAULUS, Claim Agent.

Yes.

—*Tri-City Railway Co., Davenport, Iowa,* R. W. HOLLAND,
Claim Agent.

Yes. Any change in equipment or operation of cars has a tendency to confuse both the car men and the public.

—*The United Railways & Electric Co., Baltimore, Md.,*
JAMES R. PRATT, Assistant General Manager.

Yes; uniformity of equipment prevents the confusion sometimes arising when men are transferred from one type of equipment to another. Take the case of a motorman transferred from an air-brake to a hand-brake car, an air-sander to a hand-sander, etc.

—*Wheeling Traction Co., Wheeling, W. Va.,* LOUIS LIPPHARDT, Claim Agent.

Question 7.

Is it advisable to stand upon the test of negligence in judging the claims of company employes?

ANSWERS.

Not always.

— *Atlantic Coast Electric Railway Co., Asbury Park, N. J.,*
GEO. B. CADE, Claim Agent.

Do not understand.

— *Austin Electric Railway Co., Austin, Texas, W. J. JONES,*
President and Manager.

Yes.

— *Chicago City Railway Co., Chicago, Ill., R. S. ROWLEY,*
Claim Agent.

I would say not. A liberal policy should be pursued towards employes injured while on duty.

— *Cleveland Electric Railway Co., Cleveland, Ohio, W. F. WEH,*
Claim Agent.

Not always, for the reason that the foreman or person in charge of a department may sometimes advise differently and all departments of a street railway company should work in harmony, and if a person in charge of a certain class of men should advise it might be policy to compromise rather than stand on the law of negligence.

— *The Denver City Tramway Co., Denver, Colo., SAM C. DORSEY, Claim Agent.*

In cases of accidents to employes it is our policy to allow them their time while off duty and expenses.

— *Fitchburg & Leominster Street Railway Co., Fitchburg, Mass., H. K. BENNETT, Claim Agent.*

Yes.

— *Fort Wayne & Wabash Valley Traction Co., Fort Wayne Ind., FRED R. FAHLSING, Claim Agent.*

It is advisable in cases where the extent of the injury calls for payment of a large amount. In small accidents, while in the performance of their duties, employes should be paid full or half time, according to the circumstances of the accident and work of the man. I do not think this class of accidents should be handled with as strict regard to liability as outside parties.

— *Georgia Railway & Electric Co., Atlanta, Ga., C. H. MATHEWS, Claim Agent.*

It depends upon the circumstances and the claimant.

— *Houghton County Street Railway Co., Houghton, Mich.*,
FRANK O. MAYOTTE, *Claim Agent.*

Yes, but be liberal in your judgment where you are dealing with employees, especially those who have served the company well for a long time.

— *Indiana Union Traction Co., Anderson, Ind.*, E. C. CARPENTER, *Claim Agent.*

When company employees demand settlement for injuries received, they thereby become claimants against the company and should be treated like other people, and the test of negligence should be applied.

— *Indianapolis & Eastern Railway Co., Indianapolis, Ind.*, WILLIAM TICHENOR, *Claim Agent.*

The policy of this company has always been when a man gets injured in the performance of his duty to pay him for the time he loses and also his doctor's bill. The matter is generally taken care of by the transportation department. The man is seen or called to the office, a statement setting forth the amount of time he would necessarily lose and also the amount of his doctor's bill is furnished and a release is made out; if he signs the release he is paid the entire amount, if he refuses, pay is withheld. This company experiences very little trouble with its employees in this respect.

— *International Railway Co., Buffalo, N. Y.*, A. J. FARRELL,
Claim Agent.

The claim department should always stand on facts, and treat the employees fairly but should insist that the employees treat the company fairly also.

— *Lehigh Valley Transit Co., Allentown, Pa.*, R. H. SCHOENEN, *Claim Agent.*

No. Be liberal in the treatment of all of the company's employees.

— *Louisville & Southern Indiana Traction Co., New Albany, Ind.*, CHARLES B. SCOTT, *Claim Agent.*

Yes.

— *Montreal Street Railway Co., Montreal, Que.*, PATRICK DUBEE, *Secretary.*

Yes. If a man is injured through his negligence he ought not to recover from the company merely because he is an employee; if not at fault pay him his time.

— *The Northern Ohio Traction & Light Co., Akron, O.*, T. W. WAKEMAN, *Claim Agent.*

Yes.

— *New Jersey & Hudson River Railway & Ferry Co., Edgewater, N. J.*, W. N. BARROWS, *Vice-President.*

It is better to make fair settlements with injured employes regardless of your State laws governing the question of liability. By so doing you have more of the confidence and loyalty of the men generally.

— *Philadelphia Rapid Transit Co., Philadelphia, Pa., H. R. GOSHORN, General Claim Agent.*

The writer believes that liberality toward injured employes pays the best kind of returns on the investment.

— *Petaluma & Santa Rosa Railway Co., Petaluma, Cal., E. M. VAN FRANK, General Manager.*

No. Do more than they can legally ask. They will be more loyal and your gift will be a good investment.

— *The Pueblo & Suburban Traction & Lighting Co., Pueblo, Colo., H. P. VORIES, Claim Agent.*

It is, in my judgment, much better to make reasonable settlements with employes when injured, wherein company may be held liable for said injury. It creates a better feeling among the men toward the company, and if the men are held well in hand, the claim department should be able to secure a very reasonable settlement.

— *Rochester Railway Co., Rochester, N. Y., J. E. JOYCE, Claim Adjuster.*

No. It is good to have your employe to be convinced that his service is appreciated and not censured for every wrong move he makes.

— *Scranton Railway Co., Scranton, Pa., STEPHEN DWYER, Chief Claim Agent.*

Yes. If employes are honest. If not honest, the intelligent one is more dangerous than the one who is not intelligent.

— *Sioux City Traction Co., Sioux City, Iowa, H. MORRISON, Claim Agent.*

It is very important that harmonious relations should exist between the claim department and all employes of the company, therefore all claims presented by employes should be dealt with fairly.

— *The Southwest Missouri Railroad Co., Webb City, Mo., S. W. GUNSAULUS, Claim Agent.*

No. I do not think so. My custom has been in regard to trainmen and also trackmen to allow them their time lost and pay their doctor's bill. I think it creates a feeling among the men that often comes back.

— *Tri-City Railway Co., Davenport, Iowa, R. W. HOLLAND, Claim Agent.*

No. A liberal policy in dealing with the company's employes tends to make them more loyal and more careful, and raises the standard of the men.

— *The United Railways & Electric Co., Baltimore, Md.,
JAMES R. PRATT, Assistant General Manager.*

The words "the test of negligence" are used as if there was an easily ascertained or defined test of negligence. Think that the question may be intended to refer to cases where employes make claims for injuries, and the defense of the negligence of a fellow servant could be relied upon by the company. It seems that the law as it has long endured on this question is right. The company should be held for its own negligence and for the negligence of superiors under whose orders the injured party acted, but not for the negligence either of fellow servants or strangers.

— *Wheeling Traction Co., Wheeling, W. Va., LOUIS LIPPHARDT, Claim Agent.*

Question 8.

What precaution has your company adopted for the protection of its cars on grade railroad crossings?

ANSWERS.

Derailling switches; gates and conductor going ahead of car and giving signal before car goes across the tracks.

— *Atlantic Coast Electric Railway Co., Asbury Park, N. J.,
GEO. B. CADE, Claim Agent.*

At present this company has not any steep grade crossing. We have one grade crossing, but we use a derail, the conductor is required to go to the further track and throw a lever before the car can go over the crossing. No company should allow a grade crossing on any grade over 2 per cent.

— *Benton Harbor-St. Joe Railway & Light Co., Benton Harbor, Mich., H. C. MASON, Manager.*

Only the ancient one of making full stop and sending the conductor ahead.

— *Connecticut Valley Street Railway Co., Greenfield, Mass.,
J. A. TAGGART, Superintendent.*

Track elevation has eliminated the grade crossings of this company with a few exceptions where the conductor is required to flag the crossing.

— *Chicago City Railway Co., Chicago, Ill., R. S. ROWLEY,
Claim Agent.*

Stub switch or derailer.

— *Cleveland Electric Railway Co., Cleveland, Ohio, W. F. WEH, Claim Agent.*

None other than those regulated by city ordinances.

— *The Denver City Tramway Co., Denver, Colo., SAM C. DORSEY, Claim Agent.*

Where no gates are supplied by the steam railroad company, the company in some instances depends upon the conductor going ahead of the car and signalling the motorman. At other locations derailing switches have been put in and the conductor is compelled to operate this derailing switch that the car may continue on the track, the point of operation of the derailing switch being placed at such a location that the conductor has full view of the railroad track in both directions to insure the safety of the car and its passengers.

— *Easton Transit Co., Easton, Pa.*

All cars are required to stop within 100 feet of a steam railroad crossing. In addition to this there is placed on either side of the crossing on 30-foot poles, a cluster of 20 incandescent lights, making the crossing bright and aiding greatly in replacing trolley should it come off the wire.

— *Fitchburg & Leominster Street Railway Co., Fitchburg, Mass., H. K. BENNET, Claim Agent.*

Derailers and interlockers.

— *Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind., FRED R. FAHLSING, Claim Agent.*

That the cars shall not cross until it has stopped and conductor first walked ahead to ascertain if the way is clear, and then flagged motorman ahead. We have not so far in our city, any guards across streets intersected by steam road tracks.

— *Georgia Railway & Electric Co., Atlanta, Ga., C. H. MATHEWS, Claim Agent.*

We have no grade crossing; all trestle.

— *Houghton County Street Railway Co., Houghton, Mich., FRANK O. MAYOTTE, Claim Agent.*

Requires car to stop and the conductor to go forward and look for cars before crossing, at unprotected crossings. Interlockers operated from a tower at some places; derails at some crossings; and at sidings, where not much used, a swinging target operated by hand for use of each company.

— *Indiana Union Traction Co., Anderson, Ind., E. C. CARPENTER, Claim Agent.*

We have one interlocking tower, some derails, and in other places the cars stop while the conductors go forward to flag the car over.

—*Indianapolis & Eastern Railway Co., Indianapolis, Ind.,*
WILLIAM TICHENOR, Claim Agent.

Our company, at many of its crossings, at grade, has what is called a derailing switch. Before trolley cars cross the steam railroad tracks, it is the duty of the conductor to cross over and throw or hold a lever, before signalling the car to proceed. Besides this precaution, the conductor is supposed to look both ways when crossing the tracks to the lever. The point of the derailing switch is supposed to be located at least fifty feet from the nearest rail of the steam railroad tracks. The motorman, as an extra precaution, before starting, is also required to look both ways to see if the crossing is clear and that no train is approaching, which is close enough to be dangerous.

—*International Railway Co., Buffalo, N. Y., A. J. FARRELL,*
Claim Agent.

Derailing switches which must be closed by the conductor at a point near the railroad track.

—*Lehigh Valley Transit Co., Allentown, Pa., R. H. SCHOENEN,*
Claim Agent.

In the country, interlocking devices; in the city, flagmen.

—*Louisville & Southern Indiana Traction Co., New Albany, Ind., CHARLES B. SCOTT, Claim Agent.*

This is governed by the Board of Railway Commissioners, who judge what is necessary in each individual case.

—*Montreal Street Railway Co., Montreal, Que., PATRICK DUBEE, Secretary.*

All of our cars are stopped at railroad crossings and the conductor goes ahead and "runs the crossing." That is, the conductor goes upon or across the railroad tracks and looks both ways for trains and then signals the car to proceed if there are no trains in sight. At some crossings we have derailers.

—*The Northern Ohio Traction & Light Co., Akron, O.;*
T. W. WAKEMAN, Claim Agent.

We have no steam railroad crossings on our lines. We cross several steam roads, but we were fortunate in obtaining overhead or underground crossings, having diverted our route in some sections from the shortest route between the crossings to avoid grade crossings. If we had such we would want the very best safety appliances installed.

—*New Jersey & Hudson River Railway and Ferry Co., Edgewater, N. J., W. N. BARROWS, Vice-President.*

At all important crossings of main lines this company maintains, at its own expense, a flagman or "whistleman." He is provided with a shrill whistle and motormen are required to wait until he signals by a blast on the whistle before proceeding over the crossing. Safety gates and flagmen are also by city ordinance required to be maintained by the steam roads at all important crossings.

—*Philadelphia Rapid Transit Co., Philadelphia, Pa.*, H. R. GOSHORN, *General Claim Agent.*

"Stop, look and listen," then when the motorman neglects all this and has a "smash up" get out of it as easily as you can and "fire" him.

—*The Pueblo & Suburban Traction and Lighting Co., Pueblo, Colo.*, H. P. VORIES, *Claim Agent.*

Metal charged troughs over trolley wire so that car does not become dead if trolley should jump wire, in addition to this, joint flagman.

—*Rochester Railway Co., Rochester, N. Y.*, J. E. JOYCE, *Claim Adjuster.*

Safety switches, or rather turnouts.

—*Scranton Railway Co., Scranton, Pa.*, STEPHEN DWYER, *Chief Claim Agent.*

Cars brought to a stop within twenty-five feet of crossing, conductor required to leave car from the rear end and go ahead of the car fifty feet before flagging the car ahead at all grade railroad crossings.

—*Sioux City Traction Co., Sioux City, Iowa.*, H. MORRISON, *Claim Agent.*

The statutes of Missouri and the rules of our company require that all cars come to a full stop not more than twenty feet and not less than ten feet before crossing a railroad and where a watchman is not kept conductor to go ahead and flag the car across. Strict compliance to this ruling is our method.

—*The Southwest Missouri Railroad Co., Webb City, Mo.*, S. W. GUNSALUS, *Claim Agent.*

We have several; the conductor according to our rules always flags the crossing and then gives the signal to the motorman.

—*Tri-City Railway Co., Davenport, Iowa.*, R. W. HOLLAND, *Claim Agent.*

In all cases, the motorman is required to bring his car to a stop; the conductor must go forward to the center of the steam railroad crossing and look both ways before signalling the motorman to cross. The motorman is also required to see from the front platform that the way is clear before starting. We also have overhead troughs which are supplied with current in case the trolley jumps when crossing the tracks.

— *The United Railways & Electric Co., Baltimore, Md.,*
JAMES R. PRATT, Assistant General Manager.

Use derailers.

— *Wheeling Traction Co., Wheeling, W. Va., LOUIS LIPP-*
HARDT, Claim Agent.

Question 9.

To secure the best results, should a street railway company place an attorney-at-law at the head of the claim department? Give reasons.

ANSWERS.

I would like to hear discussion on this question.

— *Atlantic Coast Electric Railway Co., Asbury Park, N. J.,*
GEO. B. CADE, Claim Agent.

Yes; if he has the requisite tact for, being more familiar with the law, he can present reasons why a settlement should be made.

— *Austin Electric Railway Co., Austin, Texas, W. J. JONES,*
President and Manager.

I think it would be well to have claim agent familiar with the law, especially in regard to street railway law and damage suits. This company's claim agent is a good lawyer.

— *Benton Harbor-St. Joe Railway & Light Co., Benton Harbor, Mich., H. C. MASON, Manager.*

No. The reasons are numerous.

— *Cleveland Electric Railway Co., Cleveland, O., W. F. WEH, Claim Agent.*

I think not. With my company, while the claim department is separate from the legal department, both departments work in the utmost harmony and advise together in many cases where claim is made, suits brought and compromises asked for, and with our com-

pany think they have acted wisely in their way of conducting all of their different departments.

—*The Denver City Tramway Co., Denver, Colo., SAM C. DORSEY, Claim Agent.*

I believe that the claim department should have a legal authority or head to consult at all times. The functions of this attorney or authority to instruct those not learned in the law as to how far they should go in the investigation or settlement of claims or in the making of agreements with persons demanding damages so as not to incur any extra penalty upon the company. I do not think that an attorney-at-law would make an all-around successful claim agent. He has been brought up in certain channels; he looks at matters from one standpoint only — the legal standpoint; the moral or charitable standpoint in some instances should be taken into consideration as well as the legal and when this part of the question is to be considered, the lawyer's training might be apt to make him adhere too rigidly to certain lines, whereas, one having other than a legal training could have a more elastic mind and be able to cope with questions from a broader view than the attorney. I feel, however, that every claim agent should acquaint himself with the why and wherefore of the legal rights of companies up to that point wherein he knows whether or not the company is liable or whether it might be a question which probably should be determined by a lawyer.

—*Easton Transit Co., Easton, Pa.*

I do not think an attorney gets the best results, for the reason that they are too intimate with their brother attorneys, and in many cases more would be paid by them than by a claim agent.

—*Fitchburg & Leominster Street Railway Co., Fitchburg, Mass., H. K. BENNETT, Claim Agent.*

Not necessarily. Head of claim department should consult with general counsel and general manager.

—*Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind., FRED R. FAHLSING, Claim Agent.*

A claim agent should be a man conversant with the business from a practical standpoint, and an able judge of human nature. He should have such knowledge of the law as to be able to dispose of a claim according to its legal value. It does not necessarily take an attorney-at-law; but such an attorney if otherwise qualified for the position might be able to secure better results.

—*Georgia Railway & Electric Co., Atlanta, Ga., C. H. MATHEWS, Claim Agent.*

I do not think so, if the claim agent keeps himself posted on Court decisions.

— *Houghton County Street Railway Co., Houghton, Mich.,*
FRANK O. MAYOTTE, *Claim Agent.*

Not necessarily. The head of the claim department, however, should be sufficiently familiar with the legal phases of the various kinds of cases coming to him for determination, so that he can pass upon them with a reasonable degree of accuracy.

— *Indiana Union Traction Co., Anderson, Ind.,* E. C.
CARPENTER, *Claim Agent.*

While frequent consultations with a good lawyer may be essential to the best results, yet I think good business tact is much more necessary in the claim agent than being a lawyer himself. My reason for saying so is my knowledge of the fourteen years successful experience of Mr. George Bruce as claim agent for the Indianapolis Company. He is not a lawyer but he does the work.

— *Indianapolis & Eastern Railway Co., Indianapolis, Ind.,*
WILLIAM TICHENOR, *Claim Agent.*

What is wanted at the head of a claim department is a man of good sound judgment and a whole lot of common sense. The fact of a man being a lawyer is no bar to the position, though my own opinion is that a lawyer is not the best man, as in the settlement of a case he is apt to put too much stress on the points of law, and does not get as close to the people as a man who is not a legal light; besides a man who is not a lawyer can banter better with a lawyer in the settlement of a case. The same can be said in the settlement with the people. The ordinary fellow gets the best results. An attorney at the head of a claim department cannot keep posted on the law for want of time, and would necessarily have to consult with other lawyers. So you see an attorney cannot be a claim agent or a claim agent cannot be an attorney as a business proposition, and few companies pay salaries large enough to secure a lawyer, who would be competent to fill the position. All claim agents should have a good lawyer to consult when occasion arises, and that is pretty often. However, a lawyer should practice law and a claim agent practice the settlement of claims. Both cannot be successfully done by one person.

— *International Railway Co., Buffalo, N. Y.,* A. J. FARRELL,
Claim Agent.

Yes; but in all cases one who uses common sense and does not rely on technical points.

— *Louisville & Southern Indiana Traction Co., New Albany,*
Ind., CHARLES B. SCOTT, *Claim Agent.*

Yes; claim departments should work directly under the law department. They alone are qualified to advise as to liability and probable amount of recovery.

— *Little Rock Electric & Railway Co., Little Rock, Ark.,*
C. J. KENDLE, *Claim Agent.*

We do not consider it advisable. Our system is different to that of most railways, in as much as the claims are passed upon by a claims committee, which is composed of the manager, secretary, superintendent, chief medical officer, with the claim agent as secretary. We find that very good results are obtained, in addition to which the Executive Officials of the company come in touch with one of the most important departments.

— *Montreal Street Railway Co., Montreal, Que., PATRICK DUBEE, Secretary.*

Yes. An attorney is supposed to have a knowledge of negligence law and should be quicker to distinguish the difference between liability and non-liability than a layman, although the latter from long experience could become just as proficient as an attorney.

— *The Northern Ohio Traction & Light Co., Akron, O.,*
T. W. WAKEMAN, *Claim Agent.*

A knowledge of law and also of medicine would be assets in the mental equipment of the head of a claim department, or of an adjuster operating under such department. If a candidate had good common sense and understood human nature; was patient and could adapt himself to conditions and circumstances as he found them, it certainly would be no detriment to him if he would learn a little law also; in fact he cannot learn too much. But we would consider legal knowledge the least of the necessary attainments of a claim agent or adjuster. Patience, tact, good judgment and the knowledge of human nature are far more important factors than legal knowledge. At least in the "claim agent" stages of an accident. The law should be kept in the back ground; and the other attainments of the Claim Agent should occupy the stage. If it is known that the party negotiating one side is an attorney the other side will probably want an attorney also.

— *New Jersey & Hudson River Railway and Ferry Co., Edgewater, N. J., W. N. BARROWS, Vice-President.*

The answer to this question would depend entirely upon the personality of the person to be selected. The head of a claim department should certainly know enough of law to enable him to closely approximate the company's liability, and he should have the best of legal advice at his service. The head of the claim department

whether an attorney or layman, should combine natural shrewdness with deep insight into human nature.

— *Petaluma & Santa Rosa Railway Co., Petaluma, Cal.,*
E. M. VAN FRANK, *General Manager.*

Yes. He may have to act before he can take advice. This presupposes a good attorney. A man with good common sense will be much better than a poor and technical attorney.

— *The Pueblo & Suburban Traction and Lighting Co.,*
Pueblo, Colo., H. P. VORIES, Claim Agent.

A good attorney would not accept the position, and a poor one would be a detriment. A claim agent, who is an experienced railroad man with a fair knowledge of law, should handle the business to a better advantage than an attorney who has not had railroad experience.

— *Rochester Railway Co., Rochester, N. Y., J. E. JOYCE,*
Claim Adjuster.

Yes; or a man that knows trespass law as well as an attorney, so as to be able to judge whether your company is liable or not.

— *Scranton Railway Co., Scranton, Pa., STEPHEN DWYER,*
Chief Claim Agent.

No competent attorney could afford to be at the head of a claim department for the salary of a competent claim agent, and I find from experience with claimants that they are more free to be fair with me in the discussion of their claims from the fact that they know I am not an attorney.

— *Sioux City Traction Co., Sioux City, Iowa, H. MORRISON,*
Claim Agent.

Not necessarily so, but a man at the head of a claim department should be familiar with the laws in the respective states in which his road is operating and should be qualified to pass upon the liability in all cases.

— *The Southwest Missouri Railroad Co., Webb City, Mo.,*
S. W. GUNSAULUS, *Claim Agent.*

By no means. In my experience lawyers do not make the best adjusters and have no better idea of liability than a good adjuster or investigator who has put in his years as claim agent. Most every claim agent is well posted on personal injury law and should be and is in a position to handle the problems successfully which confront him and to rely on his own judgment without being a regularly admitted attorney.

— *Tri-City Railway Co., Davenport, Iowa, R. W. HOLLAND,*
Claim Agent.

While a knowledge of law is essential I do not consider it absolutely necessary to have a lawyer at the head of the department unless he be one who has come up with the department and is thoroughly familiar with it and has been an adjuster. Lawyers who have not been adjusters are not as good in settling a case as those who have had long training along this line.

—*The United Railways & Electric Co., Baltimore, Md.,*
JAMES R. PRATT, Assistant General Manager.

No; more important to have a man who can meet and deal with all classes of people successfully, but a claim agent should at all times keep in close touch with the law department.

—*Wheeling Traction Co., Wheeling, W. Va., LOUIS LIPP-*
HARDT, Claim Agent.

Discussion of Question 9.

MR. TICHENOR:—Mr. President, I was asked one day if I was a lawyer. I said I used to be and when I lost my job, probably I would be again.

I don't know, Mr. President, that a lawyer could be any better claim agent than anybody else. There are certain qualifications for a good claim agent that have been set out in some of the papers, and particularly by Mr. Carpenter of the Indiana Union Traction Co., and one of those qualifications is to be able to know something at least of what a lawyer knows.

If that be true, then I would say at once the lawyer starts out with a sure thing as one of the qualifications for a good claim agent. I don't believe, however, that it is necessary that a man know very much law in order to be a very good claim agent. I think he ought to have a practicing lawyer to consult with frequently, if he is not a lawyer himself.

Good business tact, it seems to me, would be more essential than a settled knowledge of the law.

Question 10.

From the standpoint of safety of operation, should passengers be allowed to occupy the front platform of closed cars?

ANSWERS.

No.

—*Atlantic Coast Electric Railway Co., Asbury Park, N. J.,*
GEO. B. CADE, Claim Agnt.

No; they talk to motormen and with each other, thus taking the attention of motorman from his duty.

—*Austin Electric Railway Co., Austin, Texas, W. J. JONES, President and Manager.*

No; only when permitted by the conductor to do so when cars are crowded. This seems to be the rule with all street railways, but if it is possible it would be much safer, not to allow any passengers on the front platform under any conditions.

—*Benton Harbor-St. Joe Railway & Light Co., Benton Harbor, Mich., H. C. MASON, Manager.*

No. Because they are sure sooner or later to interfere with the motorman.

—*Connecticut Valley Street Railway Co., Greenfield, Mass., J. A. TAGGART, Superintendent.*

It is my opinion if it were possible to prohibit passengers from riding on platforms it would be more safe and prevent many accidents as to passengers boarding and alighting from cars.

—*Chicago Union Traction Co., Chicago, Ill., H. C. BRADLEY, Adjuster.*

It makes but little difference.

—*Chicago City Railway Co., Chicago, Ill., R. S. ROWLEY, Claim Agent.*

No.

—*Cleveland Electric Railway Co., Cleveland, O., W. F. WEH, Claim Agent.*

No. Think the motorman should have his vestibule or front platform clear at all times.

—*The Denver City Tramway Co., Denver, Colo., SAM C. DORSEY, Claim Agent.*

Under no circumstances whatever should passengers be allowed to occupy the front platforms of closed cars. They occupy space which in time of necessity or impending disaster is needed by the motorman for the operation and control of the car and its brake, especially so if the hand brake be employed. They will invariably talk to the motorman taking his attention away from the operation of the car and the observation of the track. If one is allowed to enter this platform it will only induce others to follow, and the more persons on this platform the greater the interference and the greater the liability for trouble. I make no exceptions whatever in my opinion as to the number of people on the car. If the car is so crowded that people

are liable to be forced out upon the front platform to ride, I feel instead of taking on that number of people, admission to the car should be denied, they should be compelled to wait for the next car. The few pennies which the company takes in from the passengers who want to ride on front platforms will not even pay the interest on one-tenth of the money which is liable to be paid for the damages for which the company might be liable owing to the inability of the motorman to properly operate his car.

—*Easton Transit Co., Easton, Pa.*

We have an iron-clad rule forbidding passengers on the front platform of box or open cars. A motorman should not be hampered in his work, and if he gets into difficulty have it said he was talking to passengers and of course was to blame for what followed.

—*Fitchburg & Leominster Street Railway Co., Fitchburg,
Mass., H. K. BENNETT, Claim Agent.*

No.

—*Fort Wayne & Wabash Valley Traction Co., Fort Wayne,
Ind., FRED R. FAHLSING, Claim Agent.*

No; we do not think they should.

—*Georgia Railway & Electric Co., Atlanta, Ga., C. H.
MATHEWS, Claim Agent.*

I think no passengers should be allowed on front platform.

—*Houghton County Street Railway Co., Houghton, Mich.,
FRANK O. MAYOTTE, Claim Agent.*

No. The more isolated the motormen from the passengers the better, although there are some types of city cars in use that it is not practical to separate the passengers from the motormen.

—*Indiana Union Traction Co., Anderson, Ind., E. C.
CARPENTER, Claim Agent.*

The danger comes from their engaging the motorman in conversation or in some other way detracting his attention from his duties. This is always likely to happen and can be prevented only by keeping the platform clear.

—*Indianapolis & Eastern Railway Co., Indianapolis, Ind.,
WILLIAM TICHENOR, Claim Agent.*

Passengers should not be allowed to ride on the front platform. They take the motorman's attention off his duty by talking to him. They are in a dangerous position should the controller blow up; they are also in a precarious location in the event of a collision with vehicles or other cars. This company prohibits passengers from riding on the front platform of the motor cars.

—*International Railway Co., Buffalo, N. Y., A. J. FARRELL,
Claim Agent.*

Positively no never. The front platform should be clear of all passengers or employes. No one should be allowed on front platform but the motorman, with probably two exceptions, the general manager or superintendent.

— *Lehigh Valley Transit Co., Allentown, Pa.*, R. H. SCHOPENNEN, *Claim Agent.*

No.

— *Louisville & Southern Indiana Traction Co., New Albany, Ind.*, CHARLES B. SCOTT, *Claim Agent.*

No.

— *Little Rock Railway & Electric Co., Little Rock, Ark.*, C. J. KENDLE, *Claim Agent.*

We do not consider it safe and, therefore, do not permit passengers to stand on the front platforms of cars.

— *Montreal Street Railway Co., Montreal, Que.*, PATRICK DUBEE, *Secretary.*

No.

— *The Northern Ohio Traction & Light Co., Akron, O.*, T. W. WAKEMAN, *Claim Agent.*

Passengers should not be allowed on the front platforms of any cars, closed or opened, under any conditions.

— *New Jersey & Hudson River Railway and Ferry Co., Edgewater, N. J.*, W. N. BARROWS, *Vice-President.*

Passengers should not be allowed to occupy the front platforms of closed cars. The reasons are apparent to any claim agent or operating man.

— *Philadelphia Rapid Transit Co., Philadelphia, Pa.*, H. R. GOSHORN, *General Claim Agent.*

No.

— *The Pueblo & Suburban Traction and Lighting Co., Pueblo, Colo.*, H. P. VORIES, *Claim Agent.*

No passengers should be allowed to ride on the front platform of either closed or open cars for any reason or consideration.

— *Rochester Railway Co., Rochester, N. Y.*, J. E. JOYCE, *Claim Adjuster.*

No; but the platforms should be made smaller, for they take up too much valuable space.

— *Scranton Railway Co., Scranton, Pa.*, STEPHEN DWYER, *Chief Claim Agent.*

No; because in case of a collision, they are in a dangerous place, and in case of an accident to a vehicle or pedestrian in the street the claimant always says that your motorman was in conversation with people riding with him and was not looking ahead or attending to his duties. On the other hand, those passengers riding on the front platform are often valuable witnesses.

—*Sioux City Traction Co., Sioux City, Iowa, H. MORRISON,
Claim Agent.*

Passengers should not be allowed to ride upon front platform of closed cars at any time; they are sure to attract the attention of motorman from his duties and are in a dangerous position in case of a collision.

—*The Southwest Missouri Railroad Co., Webb City, Mo.,
S. W. GUNSAULUS, Claim Agent.*

No; at no time. In my experience too many serious accidents have resulted from conversation with the motorman by passengers on the front platform.

—*Tri-City Railroad Co., Davenport, Iowa, R. W. HOLLAND,
Claim Agent.*

Passengers should not be allowed to ride on the front platform, neither should they be allowed to board cars by way of the front platform. There is, however, no objection to permitting them to leave by way of the front platform. It is a well known fact that all people at times take chances in boarding and alighting from moving cars. If a passenger falls alighting from the front platform of a moving car, the momentum of his body will carry it from the car. If, however, a person attempts to board a moving car by way of the front platform and falls, his chances of being run over are far greater than if he were leaving the front platform. In my judgment the time will come, and we are now approaching that era in large congested cities, when it will be necessary for passengers to enter all public conveyances by one door and exit by another, so as to avoid confusion and the delay incident to persons meeting, particularly in cars of the center aisle construction type.

—*The United Railways & Electric Co., Baltimore, Md.,
JAMES R. PRATT, Assistant General Manager.*

Passengers should not be permitted to ride with motormen. They more or less cause them to neglect their duties.

—*Wheeling Traction Co., Wheeling, W. Va., LOUIS LIPP-
HARDT, Claim Agent.*

Question 11.

What are your views of the advisability of reimbursing car men for a reasonable amount of time devoted to the making out of accident reports? Would such a course assist in the elimination of the unreported accident, as well as result in an improvement in the essential features of the accident report?

ANSWERS.

a. They should be reimbursed. b. I think it would to a certain extent.

— *Atlantic Coast Electric Railway Co., Asbury Park, N. J.,*
GEO. B. CADE, *Claim Agent.*

We allow our men half hour's time for making out reports as I believe it encourages the making out of reports.

— *Austin Electric Railway Co., Austin, Texas, W. J. JONES,*
President and Manager.

To reimburse men for their time in making out accident reports might encourage them to make out such reports every day. I would not advocate such a custom.

— *Benton Harbor-St. Joe Railway & Light Co., Benton Harbor, Mich., H. C. MASON, Manager.*

While I do not think it would have any effect on the elimination of the unreported accidents, it might have a tendency to secure a more complete report.

— *Chicago City Railway Co., Chicago, Ill., R. S. ROWLEY,*
Claim Agent.

I do not think it would be advisable. I do not think any benefit would be derived from it.

— *Cleveland Electric Railway Co., Cleveland, O., W. F. WEH,* *Claim Agent.*

Do not think it proper to pay trainmen extra. They are paid for making their reports and should give full particulars without extra pay.

— *The Denver City Tramway Co., Denver, Colo., SAM C. DORSEY,* *Claim Agent.*

If this branch of the work is understood to be a part of a car crew's duties, I see no reason for paying them for their time while so employed, any more than paying a conductor for making out his daily time card and money report.

—*Fitchburg & Leominster Street Railway Co., Fitchburg, Mass.*, H. K. BENNETT, *Claim Agent.*

Have never allowed men time for making out accident reports and do not think it should be done, as that is part of their duty. If they fail to report accidents they should be dismissed from the services of the company.

—*Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind.*, FRED R. FAHLSING, *Claim Agent.*

We think this would assist in securing reports of all kinds of accidents, provided the system is not abused.

—*Georgia Railway & Electric Co., Atlanta, Ga.*, C. H. MATHEWS, *Claim Agent.*

It takes little time to make accident reports.

—*Houghton County Street Railway Co., Houghton, Mich.*, FRANK O. MAYOTTE, *Claim Agent.*

An employe should not be reimbursed for time devoted to making out accident reports, under ordinary circumstances. If the report requires taking a crew off to their run for an entire run, consuming several hours, perhaps a day's time, then they should be reimbursed accordingly, the same as if they had been working on their run, but men should not be paid for time in making out ordinary accident reports in the usual way.

The payment of employes, for reporting all accidents would not necessarily eliminate "the unreported accident, as well as to result in an improvement in the essential features of the accident report;" this will depend upon how rigidly the company enforces its rules, requiring the men to make reports and inflicting penalties where employes fail to make reports of all accidents.

—*Indiana Union Traction Co., Anderson, Ind.*, E. C. CARPENTER, *Claim Agent.*

The car men, in making out accident reports, are performing duties required by the company and it should be done on the company's time. Proper treatment to the men requires this, but I should hardly expect it to bring about an improvement in the character of the report.

—*Indianapolis & Eastern Railway Co., Indianapolis, Ind.*, WILLIAM TICHENOR, *Claim Agent.*

In my opinion it would be money well spent to allow trainmen for the time consumed in making out the regular reports of accidents. This company pays the men nothing for making out the regular report, but if any of the trainmen are called to the office to give information in reference to an accident, they are allowed full platform time. This has been in vogue here for several years and has given entire satisfaction.

— *International Railway Company, Buffalo, N. Y., A. J. FARRELL, Claim Agent.*

It would be a good thing to allow men time for making out reports, there is no reason why a man should not be paid for all the time he puts in and it would I believe show the men that the company considered the reports as of great importance.

— *Lehigh Valley Transit Co., Allentown, Pa., R. H. SCHOENEN, Claim Agent.*

I think it is advisable to reimburse car men for reasonable amount of time lost in making out accident reports, especially when any one is injured. It would result in a vast improvement in the essential features of the report and it would better enable the Claim Agent to judge the truthfulness of the statement.

Our investigations must show whether or not the company is liable in order for us to make an intelligent settlement, or prepare our defense in case we do not settle.

When we have a report covering the essential features of an accident, signed by an employe, he is not so apt to deny it in case he is discharged and we afterwards want to use him as a witness.

I think it would also result in the elimination of unreported accidents to some extent, as many of our best men dislike to do clerical work.

— *Little Rock Railway & Electric Co., Little Rock, Ark., C. J. KENDLE, Claim Agent.*

We do not think so, as in the majority of cases, it is not the time that it takes to make the report that prevents employe reporting but more the fear of being disciplined.

— *Montreal Street Railway Co., Montreal, Que., PATRICK DUBEE, Secretary.*

We never have tried the plan of reimbursing car men for the time devoted in making out accident reports. This would not seem necessary to me. All of our men when employed are given to understand and instructed that it is their duty to report accidents of every kind. I do not think that the plan of reimbursing employes for the time in making out accident reports would result in an improvement of the report. My trouble with unreported accidents arises from the fact that our em-

ployees seek to use their own judgment in trivial matters instead of following the directions given them by the superintendent.

— *The Northern Ohio Traction & Light Co., Akron, O.,
T. W. WAKEMAN, Claim Agent.*

Don't think it is necessary, but we are probably not competent to judge. We have had little or no complaint of accidents not having been reported. In a large road there would probably be many unreported, and some course as outlined in your question might be advisable.

— *New Jersey & Hudson River Railway & Ferry Co.,
Edgewater, N. J., W. N. BARROWS, Vice-President.*

Employes should be reimbursed for time devoted to the company's service, whether such time is put in on the car platform, or in making out reports at the car-house. This course is nothing more than a "square deal" to the men and is never wasted. It would "assist in the elimination of the unreported accident," but would not necessarily "result in an improvement in the essential features of the accident report." The latter result should be obtained in another manner. The writer believes that much better results would be obtained if the platform man was allowed to dictate his report to a competent person, who would write it out as dictated; this report to be signed by the platform man. The vast majority of men in the car service experience great difficulty in attempting to write an intelligible report and many of them would rather take a day's lay-off than to make out an accident report. This feature, together with the fear of severe discipline, will account for the unreported accident.

— *Petaluma & Santa Rosa Railway Co., Petaluma, Cal.,
E. M. VAN FRANK, General Manager.*

It might be a good thing if the men did not abuse it and consume too much time.

— *The Pueblo & Suburban Traction & Lighting Co., Pueblo,
Colo., H. P. VORIES, Claim Agent.*

Any carmen employed by this company failing to make out accident reports when relieved from duty are dismissed from the service, and no excuse is accepted for not making out reports, for the reason that they are educated in a school of instruction one day each week when entering the service. Where an accident is of sufficient importance both motorman and conductor are taken off their car and sent to the claim office and their time made good. The paying of men to remain and make out accident reports after turning in their cars would be expensive and would not prove to be more complete in detail than when it is a matter of compulsion for them to do so.

— *Rochester Railway Co., Rochester, N. Y., J. E. JOYCE,
Claim Adjuster.*

Yes, crews should be paid for services rendered in making out reports, and if the accident is an important one, they, in my mind, should be taken off the car long enough to make a report.

—*Scranton Railway Co., Scranton, Pa., STEPHEN DWYER,
Chief Claim Agent.*

I do not think it advisable. Our men are given rule books covering their duties, which if strictly adhered to, they will report all accidents, and when they fail to report an accident and as soon as it is known, severe discipline is better than compensation. Our train crews after an accident, if serious, are sent to my office by the superintendent. I take them separately and go into every feature of the accident, taking a signed statement. If the accident is slight, they are sent to my office when off duty. We find this to be the most satisfactory way with reference to getting reports of the accidents.

—*Sioux City Traction Co., Sioux City, Iowa., H. MORRISON,
Claim Agent.*

A better policy I would think would be to install the merit and demerit system and give so many merit marks for the making out of a complete accident report than to reimburse an employe for time in making it out for any intelligent conductor such as should be employed should be able to make out an accident report in a very few minutes.

—*The Southwest Missouri Railroad Co., Webb City, Mo.,
S. W. GUNSALUS, Claim Agent.*

Would rather hear from some of the others before expressing an opinion.

—*Tri-City Railroad Co., Davenport, Iowa, R. W. HOLLAND,
Claim Agent.*

It would be well to allow them a reasonable time for making out reports. In order to avoid this detention after finishing their work they pass over accidents which they consider of slight importance; and in many instances when reports are made out, their incomplete condition is sufficient evidence of the haste in which they were compiled.

—*The United Railways & Electric Co., Baltimore, Md.,
JAMES R. PRATT, Assistant General Manager.*

Never had a crew ask for time for making a report. They do not expect it and I do not think paying them would make any improvement.

—*Wheeling Traction Co., Wheeling, W. Va., LOUIS LIPPHARDT,
Claim Agent.*

Discussion of Question 11.

MR. PROCTOR:— We have tried that and have found it to work well. We keep a relief crew at a central point, where every car in operation passes, from 12 o'clock in the day until 10 o'clock at night. We have a clerk there and when an accident occurs the relief crew immediately relieves the regular crew which reports to the claim clerk. The relief crew is paid by the day. We find this plan has benefited us very much and helped to cut down unreported accidents and also gives quick action.

Question 12.

How shall we deal with the problem presented by the superintendent who deliberately conceals reports of mishaps upon his division, in order that he may improve his record as a company official?

ANSWERS.

Take the matter up with officials at headquarters and I think they would do the rest.

— *Atlantic Coast Electric Railway Co., Asbury Park, N. J.,
Geo. B. CADE, Claim Agent.*

Discharge him by all means.

— *Austin Electric Railway Co., Austin, Texas, W. J. JONES,
President and Manager.*

Discharge the superintendent immediately for the first offense.

— *Benton Harbor-St. Joe Railway & Light Co., Benton
Harbor, Mich., H. C. MASON, Manager.*

Get another superintendent.

— *Connecticut Valley Street Railway Co., Greenfield, Mass.,
J. A. TAGGART, Superintendent.*

It is my opinion that any employe of the company that misrepresents matters under his official control should be "fired summarily."

— *Chicago Union Traction Co., Chicago, Ill., H. C. BRADLEY,
Adjuster.*

Secure the evidence and take it up with the general manager or general superintendent.

— *Chicago City Railway Co., Chicago, Ill., R. S. ROWLEY,
Claim Agent.*

Put it up to the general manager.

— *Cleveland Electric Railway Co., Cleveland, Ohio*, W. F. WEH, *Claim Agent.*

Fortunately for my company our superintendent and in fact all departments are prompt in giving full particulars in all cases.

— *The Denver City Tramway Co., Denver, Colo.*, SAM C. DORSEY, *Claim Agent.*

I do not believe that such a case exists. If it does, it is a question of such vital importance as to require the attention of the general manager or board of directors rather than the claim department.

— *Fitchburg & Leominster Street Railway Co., Fitchburg, Mass.*, H. K. BENNET, *Claim Agent.*

Discharge him.

— *Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind.*, FRED R. FAHLSING, *Claim Agent.*

We have no such trouble. However, he should be handled as any other employee would be for inefficient service.

— *Georgia Railway & Electric Co., Atlanta, Ga.*, C. H. MATHEWS, *Claim Agent.*

I never had to wait for reports.

— *Houghton County Street Railway Co., Houghton, Md.*, FRANK O. MAYOTTE, *Claim Agent.*

In such a case as full details as possible should be secured so as to demonstrate beyond doubt that the officer has wilfully concealed reports, and then the occurrence should be reported to the general manager, but the claim department should be sure it is right, before striking along this line.

— *Indiana Union Traction Co., Anderson, Ind.*, E. C. CARPENTER, *Claim Agent.*

It is scarcely possible to think of a character so despicable in a superintendent of a traction line. I should think, however, that the company would make short work of him.

— *Indianapolis & Eastern Railway Co., Indianapolis, Ind.*, WILLIAM TICHENOR, *Claim Agent.*

A superintendent, who wilfully covered up, or deliberately concealed reports of accidents occurring on his division for his own advancement, in my opinion, is a man who should be released from the service, as he not only works against his employer's interests but also against his co-employees, and should not be held in an official position. I would call

the matter to the attention of the president or general manager, and if they did not remedy his shortcomings, it would be strictly up to them. Our management would not, for an instant, countenance any such action on the part of any superintendent.

— *International Railway Co., Buffalo, N. Y.*, A. J. FARRELL,
Claim Agent.

Discharge him, any superintendent that would be guilty of such an act is not fit for the position and is too careless for a railroad man.

— *Lehigh Valley Transit Co., Allentown, Pa.*, R. H.
SCHOENEN, Claim Agent.

Such a superintendent should be immediately succeeded by one who will not do this.

— *Louisville & Southern Indiana Traction Co., New Albany, Ind.*, CHARLES B. SCOTT, *Claim Agent.*

Make careful examination as to the facts, and the probability of their having been called to the attention of the superintendent, and make report to the law department.

— *Little Rock Railway & Electric Co., Little Rock, Ark.*,
C. J. KENDLE, *Claim Agent.*

Dismiss him.

— *Montreal Street Railway Co., Montreal, Que.*, PATRICK
DUBEE, Secretary.

Reports the facts to the general manager.

— *The Northern Ohio Traction & Light Co., Akron, O.*,
T. W. WAKEMAN, *Claim Agent.*

Investigate the charge, give him a fair hearing and if guilty discharge him at once.

— *New Jersey & Hudson River Railway & Ferry Co., Edgewater, N. J.*, W. N. BARROWS, *Vice-President.*

In the first place this part of his record is given undue importance on many railroads. In some cases it is made decidedly to his interest to conceal reports whenever possible, besides making him unduly severe and often unjust in his treatment of the platform man on whose car the accident may occur. This state of affairs should not exist. A superintendent, who is fit to hold his position, will naturally endeavor to keep down the number of accidents on his division, and the number of accidents which he may have should be given much less weight than the character of the accidents. He should be congratulated more on

the number and completeness of the accident reports than upon the smallness of their number. The writer has known superintendents who by the severity of discipline which they enforced in accident cases, had so terrorized their men as to materially increase the platform expense per car-mile and greatly injure the service. Motormen feared to approach a team upon the track and the drivers, taking advantage of the state of affairs, would deliberately cut in ahead of the cars. The result, in addition to the undesirable features above stated, was a further increase in the number of wagon accidents.

— *Petaluma & Santa Rosa Railway Co., Petaluma, Cal.,
E. M. VAN FRANK, General Manager.*

We don't have those kind of men out West. Hanging would be too good for such a man; he should be discharged.

— *The Pueblo & Suburban Traction & Lighting Co., Pueblo,
Colo., H. P. VORIES, Claim Agent.*

In such cases where superintendents are not broad enough to see their mistakes, they should be, for the good of the service, removed.

— *Rochester Railway Co., Rochester, N. Y., J. E. JOYCE,
Claim Adjuster.*

He is inefficient, unloyal and should be discharged.

— *Sioux City Traction Co., Sioux City, Iowa, H. MORRISON,
Claim Agent.*

Discharge him immediately, as he has shown himself to be unworthy of holding such a position.

— *The Southwest Missouri Railroad Co., Webb City, Mo.,
S. W. GUNSAULUS, Claim Agent.*

I have never faced this problem.

— *Tri-City Railway Co., Davenport, Iowa, R. W. HOLLAND,
Claim Agent.*

He should be summarily dismissed.

— *The United Railways & Electric Co., Baltimore, Md.,
JAMES R. PRATT, Assistant Manager.*

Discharge him if he keeps it up.

— *Wheeling Traction Co., Wheeling, W. Va., LOUIS LIPPHARDT,
Claim Agent.*

Question 13.

Is it practicable to employ female assistants as investigators and adjusters in claim and accident work?

ANSWERS.

Yes.

- *Atlantic Coast Electric Railway Co., Asbury Park, N. J.,*
GEO. B. CADE, Claim Agent.

I believe it is, in some cases, if not nearly all.

- *Austin Electric Railway Co., Austin, Texas, W. J. JONES,*
President and Manager.

I don't think female assistants are of much benefit in such cases, as they are too apt to be prejudiced. Personally I would not employ them.

- *Benton Harbor-St. Joe Railway & Light Co., Benton Harbor, Mich., H. C. MASON, Manager.*

Yes. More especially as investigators.

- *Connecticut Valley Street Railway Co., Greenfield, Mass.,*
J. A. TAGGART, Superintendent.

No.

- *Chicago City Railway Co., Chicago, Ill., R. S. ROWLEY,*
Claim Agent.

I do not think it would, although I have never tried it.

- *Cleveland Electric Railway Co., Cleveland, Ohio, W. F. WEH, Claim Agent.*

I think not. I would prefer to have men in my department, as I think they are more trustworthy.

- *The Denver City Tramway Co., Denver, Colo., SAM C. DORSEY, Claim Agent.*

It may be, in rare cases, practicable to employ female assistance in the claim department, but generally I do not believe it wise to do so. As a rule, women have more sympathetic natures than men and they feel that something should be done for the injured even though the injury may have been the result of negligence of the injured. I believe that if given authority they would be more apt to recommend settlement of cases and at higher rates than male agents would. Generally they do not possess the business training, do not mingle with the world at large as man does and, therefore, do not have that judgment which man possesses to deal with matters of this kind. I have no fault to find

with women in general, but believe her sphere to be one associated with domestic duties, or work of such a nature where not too much responsibility is put upon her.

— *Easton Transit Co., Easton, Pa.*

No, No, emphatically NO."

— *Fitchburg & Leominster Street Railway Co., Fitchburg, Mass., H. K. BENNETT, Claim Agent.*

Have never tried it.

— *Fort Wayne & Wabash Valley Traction Co., Fort Wayne, Ind., FRED R. FAHLSING, Claim Agent.*

As a general rule, no.

— *Georgia Railway & Electric Co., Atlanta, Ga., C. H. MATHEWS, Claim Agent.*

It might with a big company.

— *Houghton County Street Railway Co., Houghton, Mich., FRANK O. MAYOTTE, Claim Agent.*

With large companies, where claims are numerous, yes; small companies, no.

— *Indiana Union Traction Co., Anderson, Ind., E. C. CARPENTER, Claim Agent.*

Within proper limitation I think the female an excellent addition to the force; I have known some very effective work to be done in this way.

— *Indianapolis & Eastern Railway Co., Indianapolis, Ind., WILLIAM TICHENOR, Claim Agent.*

Have used and find them all right, they can often obtain information which a man cannot get.

— *Lehigh Valley Transit Co., Allentown, Pa., R. H. SCHOENEN, Claim Agent.*

No.

— *Louisville & Southern Indiana Traction Co., New Albany, Ind., CHARLES B. SCOTT, Claim Agent.*

No.

— *Little Rock Railway & Electric Co., Little Rock, Ark., C. J. KENDLE, Claim Agent.*

We think that this might be done in some cases with good results, more particularly as investigators.

— *Montreal Street Railway Co., Montreal, Que., PATRICK DUBE~~E~~, Secretary.*

We have employed them as investigators but not as adjusters. We don't doubt but some would prove to be good adjusters. There can be no rule laid down, every case presents different features and is a separate problem and must be dealt with in accordance with the conditions. What is good judgment in one case is folly in another. In some cases you want men to investigate, in other cases a woman is necessary. Some of the most perfect and difficult investigation work we ever had has been accomplished by women. Those we have employed are not inferior to men in shrewdness and tact.

— *New Jersey & Hudson River Railway & Ferry Co., Edgewater, N. J.*, W. N. BARROWS, Vice-President.

It is not only practicable to employ female investigators in accident work but in many cases it is necessary to proper investigation. This is particularly true in the larger cities. We have never tried female adjusters but if properly trained and equipped they would probably be competent for the work.

— *Philadelphia Rapid Transit Co., Philadelphia, Pa.*, H. R. GOSHORN, General Claim Agent.

I hardly think so, but would like to try one. They might investigate fairly well, but their adjustment would, I fear, be out of alignment.

— *The Pueblo & Suburban Traction & Lighting Co., Pueblo, Colo.*, H. P. VORIES, Claim Agent.

For various reasons, no.

— *Rochester Railway Co., Rochester, N. Y.*, J. E. JOYCE, Claim Adjuster.

Occasionally, yes. Black or white, as needed.

— *Scranton Railway Co., Scranton, Pa.*, STEPHEN DWYER, Chief Claim Agent.

Yes.

— *Sioux City Traction Co., Sioux City, Iowa*, H. MORRISON, Claim Agent.

In some cases female investigators can be of great assistance in securing evidence.

— *The Southwest Missouri Railroad Co., Webb City, Mo.*, S. W. GUNSAULUS, Claim Agent.

I have had it done in departments I have been employed in, but do not know anything about it from my own experience.

— *Tri-City Railway Co., Davenport, Iowa*, R. W. HOLLAND, Claim Agent.

Do not see why women would not make good assistants, or investigators, especially in women cases.

— *Wheeling Traction Co., Wheeling, W. Va.*, LOUIS LIPPHARDT, Claim Agent.

Discussion of Question 13.

MR. HARRISON:—We have never had a woman as an adjuster, though we have used them in investigations.

MR. HARDIN:—I think every large company ought to have at least one woman in the department as an investigator. We have found it decidedly advantageous, after an experience of over two years, and while, of course, you cannot get an immense amount of work out of a woman in this department, there are many cases where a male investigator cannot get in touch with all the facts, and where a female investigator of the proper calibre can.

MR. MATTHEWS:—Mr. President, in regard to questions Nos. 11, 12 and 13, they are all questions in which we are interested.

I wanted to ask what was the experience of most roads which have a great number of accidents and of unreported cases in getting from conductors on a certain route statements or affidavits about the accident.

In other words, if you have twenty conductors to see on, say, route 11, where do you see them? Do you have them report to your transportation department and ask them to secure the information, or do you have one of your men stationed at the transportation department or do you see them on the cars?

We have had a lot of trouble in having men relieved on account of labor scarcity. We have had men relieved on account of accidents where it would take twenty men away, and while you were getting the information from them, it meant the loss of a great deal of time.

VICE-PRESIDENT FARRELL:—If I may be allowed to speak, I will tell you the system we follow. Of course, you know you have got an unreported case. You get a letter from the claimant or his attorney. If we can get the time and date, which can usually be gotten, we take the day sheets and follow up the time as close as possible, and we send for the trainmen that are nearest to the time we get. We never let the other conductors or motormen know anything about it, because just as soon as one learns of it, he puts the rest wise — no motorman or conductor will incriminate himself.

MR. MATTHEWS:— Then I understand instead of posting a certain number of names on a certain route to report to you, where they can all see it and know it is about an accident, you simply call off each man individually and not let the others know that you have called that man?

VICE-PRESIDENT FARRELL:— Yes, if I call for four men, I keep them separated and not let the others see them or let them see each other.

Is there any more discussion on the question box, if not we will adjourn until to-morrow at two o'clock p. m.

WEDNESDAY AFTERNOON SESSION,

OCTOBER 16th, 1907.

The meeting was called to order by third vice-president Weh, at 2:30 P. M.

VICE-PRESIDENT WEH:—I was informed this morning that Mr. Bradley as well as Mr. Farrell found it necessary to leave the city, and therefore it devolves upon me to occupy the chair. I am also told there were some persons present yesterday during our deliberations who were not members of this association, and I think you will all agree with me that the questions and papers which are discussed here are of such a character that they should not be advertised broadcast, and therefore I will leave it to Mr. Dorsey, our sergeant-at-arms, to see that the doors are closed and any person who has not been furnished with an official badge will not be allowed in the room. I think if Mr. Dorsey had been here yesterday nothing of this kind would have happened, as he was never known to shirk his duty.

I appoint Mr. Donnelly sergeant-at-arms until Mr. Dorsey arrives.

The first thing in order will be a paper by Mr. Hardin.

THE CLAIM DEPARTMENT AND WHAT SHOULD BE DONE
TO MAKE IT MOST EFFECTIVE.

BY CHARLES B. HARDIN, *Claim Agent*,

United Railway Co., of St. Louis; St. Louis, Mo.

No department occupies the manager's mind to a greater degree at the present time than the claim department, and what should be done to make it most effective. And well may he think of a department whose expense equalled almost eleven million dollars last year, and is increasing at an alarming rate from year to year, and for which not a single tangible asset remains with the company. Yet we all know that if it was not for this expense, judiciously handled, almost all the income that we do not already spend, would be absorbed by the sheriff in the satisfaction of judgments.

The intent of this paper is to state out of my own experience certain things that have been beneficial to me, and to suggest other means which I hope may be beneficial to you and me, if we can persuade our managers to adopt them.

The claim department should be governed by a man who has absolute authority as to the employment of the men who go to make up the personnel of that department. This is necessary, because in no department of the road are the demands for absolute loyalty to the company and strict application to business so great, and the head of the department cannot guarantee the manager the proper fulfillment of these demands if the men feel that they are not strictly accountable to the claim agent for the results they get. Few changes should be made, and the men should be encouraged to remain, for only by experience can a man become a successful claim man. It is a business that cannot be learned in a correspondence school. The members of the claim department should be well paid, and made to understand that the salary is not limited to a certain sum, if the proper results are achieved; that there are no eight hour rules in existence; that they are on duty twenty-four hours a day, and subject to call at any time. The manager, however, should not be too close in his allowance of men for this department. To get the correct facts about an accident quickly is your constant endeavor, but you cannot do this at all times if your men are always overcrowded with work.

There should be at least one female investigator in every claim department. She can get information that a man cannot get, and in investigating cases of injury to women, she is invaluable. You will also find it advantageous to have some men whose connection with the department is not generally known. Many persons are averse, for various reasons, to giving information to known representatives of the claim department, yet will talk freely to an apparent stranger. What you want is correct information upon which to base your judgment. If you then err, you may be excused. If, through lack of effort, you do not get the correct information, and make an error in judgment, you should be blamed most severely.

The men should be assigned in rotation to duty from 6 o'clock P. M. up to midnight, or later if the traffic holds up, to look after the accidents that occur during these hours, but arrangements should be made whereby two or three other members of the department can be reached without delay, should an occasion arise, such as a car collision, or a car jumping the track, where the night man cannot see the injured parties at once. This can be done by designating certain members each evening to remain at home, or in close touch with their telephones. Their services may not be needed, but the claim agent can retire at night with a more comfortable feeling in his breast if he knows that, should a serious accident occur, he can reach a sufficient number of his men instantly to assist him in properly taking care of it.

Every member of the claim department should have a telephone in his residence, and if he does not voluntarily have it placed there for the convenience of his family, it should be installed at the expense of the company. You will find it very beneficial to have

adjusters, and investigators, call up the main office at an hour designated when they leave the office. In this way you are always in close touch with some outside member of the department, and know just when you can get hold of any particular member.

In the adjustment of claims against the company, do not assume the attitude of a Shylock toward the claimant. Try to look at the claim from the claimant's standpoint as well as your own; in this way you will better serve your company, because when the matter is presented to the jury later on, it is an equal chance at least that it will view it from the claimant's standpoint. The settlement of liability claims should be effected as soon as possible. Educate your men so that they can form, from the injured party's own statement, a good idea of the company's liability, or the probability of a judgment being rendered against it if the case should be taken to court. If he absolves the company, he should get a release; if he is uncertain as to what would be a fair settlement, or the injured party demands more than he thinks the company should pay, he can make a plausible excuse to get away for a while to communicate with you over a telephone, and receive further instructions. I believe where the injured party's statement makes a case for the jury, and there is bona fide injury, a settlement on reasonable terms should be made, for we all know the direction in which the jury's sympathy leads. This is particularly true in cases of injuries to women. The liability of a large judgment for a small injury is ever present here, and the superior courts rarely cut down the amount of a judgment, and even less frequently reverse one, in favor of a woman on account of excessiveness.

A special effort should be made to close up serious injuries to minors, as the statute of limitations does not begin to run against the cause of action until they have reached their majority. This may be so far in the future that the probability of making a successful defense must be greatly discounted. Some may think the plaintiff labors under the same disadvantage, yet, my experience has led me to conclude that the burden rests upon the defending public service corporation to prove it is not guilty. The calling of the attention of your men to the court decisions in ruling cases in certain classes of accidents, and seeing that they become familiar with them, will aid them very much in forming correct conclusions as to the liability in similar accidents.

The new conductors and motormen should be sent to the claim department for instructions in relation to accidents and accident reports, or should be specially instructed by the employment agent. In addition to this the claim agent should give occasional talks to the men at the sheds, and point out to them the many difficulties under which he labors, and impress on them the important relation they bear to the claim department. Try to make them realize that an accident is a serious thing for the company, and that when one does

occur, they must get witnesses. What a cold chill comes over the claim agent when the report of a serious accident comes to his desk and he finds the names of only one or two witnesses turned in by the crew. Many conductors and motormen seem to think they are expected to interest themselves in accidents and get witnesses only when the accident occurs on their particular end of the car. They should be taught that it is as much the concern of the one as the other, regardless of on which end of the car the accident occurs, and the employes who come upon the following cars should also interest themselves in getting witnesses.

The anti-corporation fever is so rabid in my state that you cannot successfully defend a plain case of suicide with but two witnesses, proof of the *corpus delicti* being sufficient to overcome that many. The crew involved in every serious accident should be brought to the claim office and personally interviewed by the claim agent, and a statement complete in detail taken. This will often open up lines of defense hitherto unknown. Every superintendent should take an active interest in the operation of the claim department, and work constantly to keep the number of accidents down to the minimum. He should bring every employe who has an accident of any seriousness into his office and have a heart to heart talk with him, endeavoring so to impress upon him what a serious thing for the company an accident is, that he will not have another. Nothing is so demoralizing to the employes as to let them become impregnated with the idea that "accidents are bound to happen." He should particularly impress upon them the necessity of making a truthful report when an accident does occur, and failure to make a report should result in the instant discharge of the derelict employe. No claim presents so perplexing a phase as the one unreported and the most stringent measures should be adopted by the management to keep these down to the minimum.

The success in handling an accident case depends more upon an early knowledge of its occurrence than any other one thing. The employes should be frequently impressed with the importance of this. We have all our accidents, as well as every other class of trouble, reported to our central telephone exchange, from which they are immediately distributed to the different departments affected. The private telephone service should be extended over the entire system by the management as soon as possible. The use of public telephones is sometimes slow and dangerous; not only are the conductors and motormen frequently at a loss to find one, but what they have to say in reporting the accident is heard by outsiders, and often results in the knowledge getting into the hands of the "ambulance chaser" much to your sorrow. Then the giving of instructions to your men is attended with more or less danger over a public telephone.

We have found a well organized and well equipped medical department very beneficial to our company. It is located on the same floor as our offices. The chief surgeon, or one of his assistants, is

always there and can make any examinations desired by the claim department of claimants who come to the office. We have learned, however, that it takes careful watching to keep the amount of its labor within reasonable bounds. The inclination to call up the company surgeon and have him come to see their injuries, especially where his services were free, was too often acted upon, and we found we were giving about \$2,500 worth of free treatment a month. In addition to this, we had to take into consideration the bill of the family surgeon when negotiating a settlement, so we have eliminated the subsequent treatment, except in special cases, and confined the work of the medical department to giving first aid and making special examinations.

However, in addition to this work, our medical department treats all injured and sick employees. In this way the treatment of the injured is distributed among the different outside members of the medical profession, thereby doing away with some feeling of jealousy. You will make a costly mistake if you do not make every effort to conciliate the outside surgeons. "Suggestive therapeutics" was never more in evidence than it is to-day, and an unfriendly surgeon can manufacture a typical case of traumatic neurasthenia, the nemesis of the claim agent, from the slight shock attending the overhead blowing. We all know that the surgeon's bill is the last bill paid by the injured, and frequently is never paid.

You will find it beneficial to send a man to see the attending surgeon, get him interested in your side of the case by assuring him he will be taken care of if a settlement is made, and see that he gets his pay if a settlement is made. We almost invariably agree upon a specified amount in cash and the payment of the attending surgeon's bill by the company, and have the bill sent to my office from which it is paid by voucher. I have found that the surgeon is as much, if not more, interested in collecting his bill than is either the patient, or the company, and the positive assurance from you that he will get his money as soon as you get a release, will assist you materially in obtaining what you want. You must be consistent in this, for, however many times you have protected the surgeon in the past, the failure to do so once, and he thereby loses a bill, will cause him to forget all you have done for him in the past and result in his next case going instantly into the lawyer's hands, who, of course, looks after the surgeon's interests.

You will find that it will assist you in keeping a line of the doctors to have a card system. I have a card for each doctor. Place thereon the name of every case handled by him, the final disposition of it and the name of the attorney, if one gets into the case. Also note thereon the name of every case in court in which the doctor testifies as an expert. This information will be found valuable in aiding you to decide what to do in his cases, and if he has testified several times against you, it may be useful to your attorneys in cross-examination. **The same record should be kept of attorneys presenting claims.**

However close you may settle your claims, or careful you may be in declining them, you will have some lawsuits to defend, so cultivate and maintain the most cordial relations with the legal department of your company. There is a disposition on the part of some lawyers not to take up claims with the claim department, but to bring suit, and then take up the question of settlement with the legal department. Everything should be done by you and the legal department to discourage this practice. We all know that a dollar looks larger to us than it does to our lawyers. Have an understanding that no final action looking to the disposal of a pending claim, suit or judgment, shall be taken without consultation with you. This will enable you to keep in closer touch with every important phase of your business, and to give that department the benefit of some knowledge you may have of the matter that does not appear in the papers. It will also give your department a higher standing among outside lawyers. This may also be increased by refusing to settle with claimants if they have engaged reputable lawyers, unless they will settle with and dismiss their lawyers, or make a settlement through them. Occasionally this may cause you to pay more money, but it pays in the long run. This rule of conduct does not apply in dealing with "ambulance chasers" who should be settled with only when you cannot settle with their client, that is, if you want a settlement; and in claims presented by this class of lawyers, if there is a doubt of liability it should always be resolved against the claimant. You should by all means so conduct your department and have your own acts support it, that the general public will recognize that they can get a fair hearing, and fair treatment if there is cause for filing a claim against your company. This does not mean that you should make a settlement of every claim presented, but endeavor to establish by your investigation the exact manner in which the accident occurred, and then if you decide not to settle the claim, explain to the claimant why you refuse, and while he may not agree with your conclusions he will, in a majority of cases, give you the credit you deserve.

Remember at all times that yours is an honorable calling, and by your conduct you can acquire and maintain that standing among your fellow-men that will redound beneficially to your company, and be a source of great personal pleasure.

MR. SEARS:—I was about to say that my friend, Mr. Hardin, is situated about a thousand miles from our company, yet if his experience and ours were compared, I don't believe they would differ in a hundredth part, and I certainly congratulate Mr. Hardin on reading such a paper, as in my humble judgment absolutely covers the case.

I therefore move that a vote of thanks be tendered to him for his paper.

(Motion seconded and carried.)

Discussion of Mr. Hardin's Paper.

MR. JOYCE:— I would like to ask Mr. Hardin as to what instructions are given to new men coming into the service?

MR. HARDIN:— Well, as my paper stated, I would recommend they come either to the claim agent or the employment agent. They come to our employment agent and he lectures them upon the requirements of the claim department and the things that they are expected to do, but even that is not as satisfactory as coming to the claim agent himself would be. As I say, I wrote this paper in question not only out of my own experiences, but out of what I would like to have our manager do, so I don't want you gentlemen to understand that this paper states absolutely all the things that I do, but I intend that our manager will get a copy of it, so he will know what I want to have done.

I think personally the men ought to be instructed by the claim agent as to what ought to be done, and what is expected of them.

MR. JOYCE:— We have a class of instruction every Friday morning from nine until twelve o'clock and every man who enters the service or who had left our employ and returned is compelled to attend this class for instruction. Instruction to the men covers the period from the time they take their car at the barns until they pull in or are relieved by another crew. They are instructed as to what is necessary to prevent accidents and what they must do should they have an accident.

In cases of serious accidents the crew is pulled off the car to report to the claim department at once. This is done even though it be necessary to put the car in the barn in order that the crew may report promptly. In cases of collision with vehicles, etc., where serious personal injury or death follows, a thorough examination of the car is made by the master mechanic and photographs of the car and location of accident are taken immediately. The engineering department also makes a survey and furnishes maps. In other words we prepare fully for litigation.

MR. BROWN:—I would like to ask Mr. Hardin if he can afford in every case to discharge the employe who fails in any case to make out an accident report?

MR. HARDIN:—I am inalterably opposed to the retention of any employe in the service of the company who does not make a report of an accident. It is not the policy of my manager. Some men he does discharge, but as I say, there are some things that in my personal opinion ought to be done that are not done. A great many men are discharged for failure to make accident reports. I would have it understood as a rule that would not be changed under any circumstances, that if a man did not make a report of an accident he would be discharged. Of course, if a man did not know that he has had an accident, very naturally you would not expect him to make a report, but a man who has an accident and knows it and does not make a report, ought to be discharged.

MR. BROWN:—The unreported accidents sometimes get in other attorneys hands. Suppose you want that witness to go on the witness stand. He may be of great value to you and if discharged would not give you the valuable information he may have. We could not afford to do it.

MR. DORSEY:—I was not present to hear Mr. Hardin read his paper. I would like to ask if he mentioned anything about collisions.

MR. HARDIN:—I did not.

MR. DORSEY:—Then I would like to ask Mr. Hardin about discharging the motorman when he has a collision.

MR. HARDIN:—If it is a flagrant case of misconduct on his part, my opinion is he ought to be discharged, but sometimes a collision will occur when a man apparently makes every effort to avoid it.

Mr. Harrington of Chicago recently cited two cases that he had won where parties injured in collision cases had brought suits against his company. He had been able to show in one case there had been a sudden giving way of the machinery which had been properly inspected, and in the other he was able to prove that the car suddenly struck

a slick place in the track, that according to the evidence was apparently no different from the other part of the track. The motorman applied his brake in the proper manner at the place where he usually did, and where he had heretofore been able to control his car, but having struck this particularly slick place, the car suddenly shot forward and collided with a crosstown car.

Now, as I say, where the employes are not guilty of willful misconduct and carelessness and yet have a collision, I am not in favor of such a severe penalty.

MR. TICHENOR:—It seems to me that the punishment of a motorman for a collision ought to depend largely upon the degree of negligence he is guilty of. I have known of collisions of cars where undoubtedly there was no negligence whatever. I would not punish that man, if I had the power, and yet, I think of a case where an accident happened and it was impossible for me to find any negligence, but the jury did and it cost us some money.

I knew of another instance where a work car was standing on a siding at a point of meeting of two passenger cars and those cars all got together. One man was discharged by the general manager and the other two were both retained, and not punished at all. I don't think the general manager was right. My judgement did not coincide with his. I would have punished all, but would not have discharged any.

MR. CARPENTER:—I would like to ask Mr. Hardin what his policy is in settlement of liability cases where the cases are serious.

MR. HARDIN:—According as we find the situation, the first time we call, if possible.

MR. CARPENTER:—That is governed by the situation as you find it at the time you call?

MR. HARDIN:—Yes. Sometimes the adjusters make mistakes in settling claims too quickly, where there are serious injuries in liability cases, for too small an amount. I have no general rule in regard to that. I base my judgment entirely upon the situation as I find it at the time. I have, of course, to leave a large part of that to the discretion of the adjuster, because of course I cannot see personally the large

number of cases we have, but the thing we want of the adjuster is results, and that depends largely upon how he finds the situation when he makes the first call.

MR. CARPENTER:— If he is able to determine with a reasonable degree of accuracy the extent of the injury upon the first call, and can make a satisfactory settlement, you advise it should be done, is that the policy?

MR. HARDIN:— I think where there is a complete understanding between the adjuster and the party who is injured, that a release gotten at the time is most advantageous.

MR. CARPENTER:— In order to have a release taken, if a smaller amount can be agreed upon which is apparently a just amount, my view is that it be paid, but then there is a chance of it being attacked and set aside, if the release is for too small an amount.

MR. HARDIN:— We have had two cases in my experience of six years, where releases were set aside.

MR. CARPENTER:— Was the injury determined, if I may ask, in those two cases, between the claimant himself and the adjuster, or was the attending physician there?

MR. HARDIN:— Between the claimant and the adjuster, and no one else. In one case the party swore that she knew what she was doing, but the adjuster told her that all he was paying her for was her dress. She was an ignorant negro woman and the adjuster had nobody with him. She had another negro woman with her and the two swore that the adjuster told her he was not paying her for her injuries but was simply paying her for her dress. The jury found against us, I think, for two hundred and fifty-three dollars in that particular case.

The other case was where the adjuster went into the house where the injured girl, her sister and mother were the only ones present. She alleged that the adjuster told her that the amount he paid her was merely a present to cover the damage to clothing; that the release was not read to her; she didn't understand the purport of it, and was under the impression that the company was simply making her a present for the damage to her clothes.

MR. CARPENTER:— Really obtained the release by fraud?

MR. HARDIN:— That was the allegation. As I say, in those two instances we had the releases set aside. However, these were not the only instances in which we have had releases attacked but in the others the attacks were not successful.

MR. CARPENTER:— Do you get witnesses to the release?

MR. HARDIN:— Our releases provide for other witnesses, yet sometimes you can get only members of the family. Adjusters do not go around with a lot of witnesses with them, so we have frequently found this, in the attempt to get outside people to witness the release—we say, “I wish you would come in here and witness a release.” “Oh, yes, the lady got hurt; oh, this is a release for ten dollars!” “Read it out to them.”

“I would not think of taking ten dollars if I was you. Why, you are liable to be laid up here for a month.” This kind of talk has often prevented a settlement, and we have so few who come back to ask us for an additional settlement afterwards, that we have generally found the adjusters in getting the release do not need anybody with them other than some member of the family.

MR. BRUNNER:— Do you have your release acknowledged?

MR. HARDIN:— No, sir.

MR. McDougall:— Do you have a release of minor children?

MR. HARDIN:— If the injury is a minor one to a child, we take the parent's release, paying him a small amount, five or ten dollars, but if the injury is permanent or a serious temporary one, we have a system of going through the Justice court with the case. We have printed blanks and it is only necessary to fill in the names, dates, amount agreed upon and the necessary data attending the accident, and the parents sign that. We then take the father and the child down to the Justice, and in open court announce a desire to confess judgment against the company in favor of this child, for an agreed sum. That judgment is entered upon the record and is satisfied in open court. We then pay the money over. It is only a matter of ten or fifteen minutes' time, and the costs are from three and one-half to four and one-half dollars and we know then that we have an absolutely secure release.

MR. DORSEY:—Do you think that release would hold before a justice of the peace, and can a parent sign away a child's rights? Now, in our state, you can only bring a suit in a justice's court for three hundred dollars.

MR. HARDIN:—We have a five hundred dollar limit in our justice's court.

MR. WOOD:—In Minnesota in the case of a minor we go to the probate court for a petition for a guardian and then we draw up a second petition requesting the probate court to allow the guardian to settle that case for certain amount, and then the probate court orders the guardian to settle the case for that amount.

MR. CARPENTER:—It is a matter of information to hear of the procedure in the different states, and I would like it to go the rounds.

While I am on my feet, I would say that in Indiana we have two kinds of cases growing out of the injury to a minor, first on behalf of the parent for loss of service and so forth, for which it would have the right to sue, then we would have the claim for injury on behalf of the minor, which must be made by the next friend, the father acting if he is living, if not, the mother, and if not, then the next of kin. Settlement can only be made by the next friend.

MR. HARDIN:—I want you to understand, gentlemen, that the parent when it goes down to the justice's court, does not occupy the position of a parent. He is appointed as a next friend. He does not exercise his right by reason of the fact that he is the father, or she is the mother of the child, but by the judicial act of the justice he or she is appointed as next friend of the child, and represents the child in a capacity entirely separate and distinct from that of a parent.

MR. CARPENTER:—Then do you settle both the claims, the one with the parent as expenses and then the other with the next friend?

MR. HARDIN:—I do, but of course I do not settle the parent's claim in a justice's court. I only settle the child's claim.

MR. CARPENTER:—That makes it very clear to me.

MR. HARDIN:—Of course, we have agreed with the parents upon the entire amount to be paid and then the judg-

ment and satisfaction for some smaller amount is entered, so that the record of the justice's court will show that something has been paid to the child. If I agree to pay, for instance, two hundred and fifty dollars in settlement for a child's injury, it is immaterial whether I confess judgment in the justice's court for two hundred and settle with the parents for fifty dollars, or confess judgment for fifty dollars and settle with the parents for two hundred dollars, as the parent does not appear in court, as a parent, except in the application to be appointed next friend, and the application is worded so that the court will know that no stranger has appeared in court for this minor. I would like to hear how it is in Wisconsin, from my friend Mr. Rausch.

MR. HARMON:—In bringing those cases do you have a writ served on your company?

MR. HARDIN:—Oh, no, we go to court, enter our appearance and confess a judgment.

MR. HARMON:—In Nashville we have a great many of what we term friendly suits. We have a suit filed against us and the papers are returned by our president and then we go to court and the party tells his troubles to the judge and the judge enters the judgment for so much.

MR. HARDIN:—That is too slow.

MR. HARMON:—It only requires thirty minutes to do that.

MR. WOOD:—Mr. Hardin, I would like to ask you another question.

I have two cases in mind where our motorman was very culpable, if not absolutely negligent. We thought that we could defend the case where we killed the child, but the motorman got frightened and disappeared after the action had been brought. In such cases, what do you do? Do you settle the best you can or try to find the motorman?

MR. HARDIN:—I find the motorman.

MR. WOOD:—Well, we spent six hundred dollars trying to find one last term of court and didn't succeed.

MR. HARDIN:—Probably we would have settled the case.

MR. McDougall:—In the case of a wife being seriously injured and you make a settlement for her personal injuries, do you always take a release from the husband?

MR. HARDIN:—Always; always.

DR. RYAN:—If a client comes to you and offers to make a settlement after the claim has been presented to you by a reputable attorney, do you refuse to settle with the claimant unless the lawyer is discharged? In your city doesn't the service of the complaint or the notice of complaint serve as a lien on the case?

Another question I will ask—in the case of statements made by motormen or conductors in serious accidents, do you secure affidavits from these men? I consider this advisable as such men may go away or they may remain and deny their statement. Whereas if an affidavit be secured they will have to acknowledge their sworn statement.

MR. HARDIN:—My chief clerk is a notary public and so am I. Some of our investigators are notary publics and they have the authority and power to take acknowledgments to signatures.

There is no statement taken in my office but what is acknowledged and sworn to and witnessed. It is witnessed by the party who takes it, one of the stenographers, of course, and then it is also witnessed by the man who places his jurat upon the paper. Every employe who comes to the claim office to make a statement, signs and swears to it before he leaves the office.

Now, in answer to your other questions, I think you must have misunderstood me, if you thought I said I refused to settle claims with reputable attorneys, or else I misunderstood you. I do settle with reputable attorneys, but I do not settle claims with claimants when they are represented by reputable attorneys unless they discharge their attorney or agree to the settlement made with the attorney. We have an attorney's lien act which I think was the most damnable act ever passed by a legislature. It is an act that allows an attorney

to have an interest in a claim or judgment against any person or corporation upon the filing of a notice, which, of course, must be served upon some officer of the corporation, or the filing in a court of record a petition against the company, which he considers a sufficient notice. That is, before judgment or even a suit is entered, he is allowed to file a notice of his interest in the claim. This interest is from twenty-five per cent. to fifty per cent. If a case gets into a judgment and you settle it under the decisions of our superior court, the part that you settle with the client is only his part of it. You cannot settle the attorney's part of it, so that if a judgment was entered for say a thousand dollars and you settle with the claimant direct for two hundred dollars, the attorney having previously notified you of his contract of fifty per cent., our superior courts have held that the only part of that judgment that you settled was the claimant's part, and therefore you paid him two hundred dollars and that is fifty per cent. of the four hundred dollars that you were liable for under the settlement. In other words, we have to go right back and pay the attorney under the notice two hundred dollars, but if the case is not in judgment and you should settle with the claimant for two hundred dollars, and he had a fifty per cent. contract, you would only owe the attorney half of that, which would be one hundred dollars. That is the distinction.

MR. WOOD:—What would be the object of not settling with the attorney for cases in judgment? What would you gain, whether reputable or disreputable?

MR. HARDIN:—The attorney might have the idea that the judgment was worth one hundred cents on the dollar and the claimant might have an idea that it was not worth so much.

MR. WOOD:—After you had the judgment?

MR. HARDIN:—Yes.

MR. CARPENTER:—As Mr. Hardin is a man of quite broad experience, I would like to cite a hypothetical case to him and ask him what he would do under such circumstances.

A claimant is a lady, seriously injured in a collision, and there is no question as to liability; she is represented by a reputable attorney. After three or four conferences you are unable to agree with the attorney and you are led to

believe that you can make a reasonable settlement with the claimant. Would you advise a settlement with the claimant direct over the head of the attorney?

MR. HARDIN:—No, I would not. While, as I stated in my paper, this might lead sometimes to the payment of more in an occasional case, than you possibly could settle direct with the claimant herself, but that is not the nature of this business, gentlemen. If I thought that I could close my books to-night and dispose of the claim business I would act differently than I do, but the claim business is here to stay and it is going to get larger all the time, and a policy for one day will not do. Your policy must be such a one, and so broad that it will extend over a long period of time, even after you have left the service of the company, so I believe that where a reputable lawyer represents a client, you may, as I say, in an occasional case, have to pay more money, yet it will come back to you in benefit at some other time. That is my judgment..

MR. CARPENTER:—Just a step farther then; if you should by an agreement with the attorney see the client, then would you recommend a settlement and not protect the attorney?

MR. HARDIN:—I would not. I am consistent in that one thing.

MR. CARPENTER:—I recently had the case which I have just cited. Ordinarily I pursue the policy as you have laid it down, and adhere to it most persistently, but in this particular case I settled it for less than half what I could have settled for with the attorneys, and I didn't notify them of it until it was all over. I saw the lady, however, with the consent of the attorney.

DR. RYAN:—The reason I asked you the question was because in your paper you said "this may also be increased by refusing to settle with claimants if they have engaged reputable lawyers, unless they will settle with and dismiss their lawyers or make a settlement through them. Occasionally this may cause you to pay more money, but it pays in the long run."

MR. HARDIN:—That means settling with their lawyer. I have sometimes had it happen—I can cite a particular in-

stance where a reputable lawyer had a client who wanted to settle with the company. I said, "Very well, I will settle with you provided you go and settle with your lawyer." Now, what he did was this: he went to his lawyer and said, "I have concluded that I can make a better settlement with this company myself than with your assistance. How much do I owe you?" He stated his price, and that was satisfactory to the client, and so the claimant settled with him, and he came back and I settled with him. That is what I mean in that phrase that you quoted.

MR. TICHENOR:—I am impressed with the idea that this thing will work both ways. Sometimes if we settle behind the lawyer's back, that lawyer will become angry and when he gets another case it may be harder to settle, but my experience is that sometimes it softens the lawyer down and makes him act the other way. I have known it to happen.

I had a case where certain lawyers were employed and there wasn't much injury and they held out and I settled for an amount that I much disliked to settle for. I afterwards got a case against those same lawyers, and I got hold of the client; I went to see him and told him I wanted to find out how seriously he was hurt. While there I got him to talk about a settlement. The lawyers wanted a very large amount and I settled for a small part of it. Those same lawyers have had another case, which they are now anxious to settle. I have not settled with them.

Now, it works that way sometimes. I know it makes a lawyer very mad to settle cases against them. But then, lawyers do that.

Gentlemen, let me tell you now, that there are not four per cent. of the lawyers in your town but will settle a case against you if they can. There are not four per cent. of the lawyers in any city but would tie you up behind your back. I don't believe we owe the lawyers anything. It is simply a question of what is the effect on the company; how it is going to affect us. That is the view I take of it.

MR. DUNLOP:—I just want to say to Mr. Tichenor that in Washington there are not four per cent. of the lawyers who

would settle behind the backs of their opposing counsel. I think that is due to the profession.

MR. RAUSCH:—In Wisconsin the statute of limitation operates. An action on behalf of a claimant must be brought within one year, or a notice of injury served on the defendant in the same method that a summons is served. That will perpetuate the cause of action for an additional five years, in which time an action can be begun.

Now, we have often trivial, minor cases that we settle directly with the parents, where the amount paid is very small. Then we have larger claims that we settle in Justice's courts. The jurisdiction of our Justice's courts is limited to two hundred dollars, but where the injury is serious, where it is permanent we either make settlement through the county court or in our court of record, by agreement, going into court and offering judgment, which has been previously stipulated and agreed upon and settle the cases in that way.

As to attacking releases, we have had two instances in ten years in which releases have been secured for small amounts that were attacked, and we settled them over again.

DR. LEMON:—There was one you did not. But that was before your time.

MR. CARPENTER:—Why did you settle that over again?

MR. RAUSCH:—Well, because it was cheaper and prevented the chance of having it set aside, which would establish a very bad precedent.

MR. CARPENTER:—Then by making the second settlement you admitted a mistake in the first place which you ought not to have done.

MR. RAUSCH:—That was the best we could do. The original release was for five dollars, in fact they were each released for that amount, and one case was settled over again for an additional one hundred dollars, and another case for one hundred and twenty-five dollars. The original amount paid was certainly inadequate. I once settled a case with a fellow for five dollars and he died within a week and the release was not disturbed.

MR. HARE:—Mr. Hardin has touched on a question in which I have been much interested, and I would like an explanation. He merely states the necessity of making a truthful report, that is, on the part of the motorman and conductor. It has been my experience with motormen and conductors that they will attempt to avoid responsibility, at least they say so, although that is not always what other witnesses think, or what the jury thinks. The conductor or motorman says he was not guilty and he softens his report to suit himself.

Now, what remedy do we have or what rule is followed whereby we can make these men give us a more truthful report of the accident, because I think it is due to the claim department to get a truthful report of the accidents as they happen.

MR. HARDIN:—I do not know whether you are addressing me directly, Mr. Hare, but in writing this paper, of course, I was not able to suggest the remedy. I would think that one way to obtain that result would be to impress upon the men in your dealings with them, what you want.

Now, any claim agent who is familiar and keeps in close touch with the details of his work is bound to meet numerous members of the transportation department including conductors and motormen. I never miss an opportunity whenever I have a conductor or motorman in my office or wherever I talk to them, to impress upon them the absolute fairness of the claim department toward them, and the reciprocal duty they owe to the claim department to tell the truth. If a man makes a mistake by starting his car too soon, that does not imply with my company that he is discharged. Of course, he is brought up before the superintendent and talked to, and whenever the claim agent has him come to the office he tries to impress upon him that such an accident ought not to occur. If we find upon investigation that the report made by the conductor or motorman is absolutely untrue, those papers are referred to our general manager, calling his attention to what the investigation has developed and the disciplining of the employe rests entirely with him.

I do not want you gentlemen to understand in my talk here to you, and in my paper, that the claim agent has any authority so far as the discipline of the employes is concerned. That rests entirely with the general manager, and he of course, is guided by the information which is furnished to him by the claim agent and the superintendents of the different divisions, but I think the thing to do is to impress upon the men wherever you meet them, and have your own employes do the same, that the company wants the truth.

In my talk with the men at various times, that is one thing that I emphasized, that the officers know that men will make mistakes, but when they do make mistakes they must tell the truth, that is one thing that our president and general manager insist upon absolutely. A man who makes a mistake they can forgive, but a man who lies to them or misleads them they absolutely have no use for at all, and does not stay in the service of the company.

VICE-PRESIDENT WEH:—We want to allow as much time as possible for the discussion of this paper, but it seems to me that this matter has been very thoroughly discussed.

DR. LEMON:—There is still some important matter in this paper, that I would like to ask about if I can be heard.

VICE-PRESIDENT WEH:—You can be heard, certainly.

DR. LEMON:—There was a question asked by Mr. Carpenter which was answered by Mr. Hardin, that seems to me a serious question. From the medical standpoint it ought to be more fully considered.

The question was: Would you take a release immediately from a person who was seriously injured? Now, in our experience in Milwaukee, we would not, we would not take a release, because that release could be set aside very easily, more easily than almost any other kind of release you get. Every man who is seriously injured is suffering from shock, and every man who is suffering from shock is in an abnormal mental condition, and our practice is to wait until such time as is necessary for that person to get in a normal condition, mentally, and then take the release. There is no use in taking a release at a time when it could be shown, and shown with-

out any trouble whatever that the man was suffering from shock and incapable of knowing what he was doing.

Now, Mr. Hardin touched on another subject here to which I have given considerable thought, and that is this question of doctors.

I take it from the paper that the writer depends a great deal on doctors outside of those directly employed by the company. Now, gentlemen, I have been with the Milwaukee Company twelve years. We had no claim department when I first went with the company. The practice then was that any person who was injured was to be taken care of immediately. We took them to the hospitals; we paid the hospitals; we paid doctors and nurses, we took care of them; and those cases were settled under that policy.

Up to eight years ago the company was nine thousand dollars in arrears on an allotment of three per cent. of the gross earnings.

Now, when this deficit appeared, Mr. Beggs had his attention called to it and he directed an entire change of policy with reference to the care of the injured, and with reference to the employment of doctors and nurses, and the payment of hospital fees.

We, from that moment, took care of no cases excepting those which were *prima facie* cases of absolute liability; the class of case where from the first report there could be no question of the non-liability, we did not take care of them. The police take care of them. They take them to the city hospitals where they are taken care of at the city's expense. Now, it is only the questionable cases and well defined cases, the getting on and off cases, especially of women, which have been discussed fully, those are the cases we take care of; we go personally to every one of them. Our claim department looks after them immediately and we have found, gentlemen, upon a four per cent. allotment, beginning eight years ago as Mr. Beggs stated yesterday, we have been able to accumulate three hundred and fifty thousand dollars reserve fund in eight years, and that has been done simply by doing away with paying these outside fees.

I do not believe a doctor is influenced at all by your paying him his bill. The chances are that he will charge you twice what he would charge the patient anyway. That is the disposition and you really get nothing from him. You might as well go and pay the claimant's lawyer, because he is in the case. The only man worth anything to the claim department is the man employed by the claim department, and it is not his professional service only that you are buying and the company is paying for. The service you want is the inside information which can come only from long experience in learning how to get it.

I find when I go away from home and leave my cases in the hands of friends who have been in the business for a number of years, that Mr. Rausch is always dissatisfied with the results obtained, and the reason is that he does not get that inside information that it takes a long time to learn how to get, so that if Mr. Hardin's practice in St. Louis is to send doctors, or pay doctors for the treatment of cases indiscriminately, whether or not we are liable for them, I consider it a very expensive practice.

MR. HARDIN:—I did not say that I went indiscriminately around over the city, dealing out money here and there to the doctors. I do say that wherever I settle a case I arrange it so the doctor will understand he was not sent to the case by me.

MR. DORSEY:—Our instructions in Denver are printed on the motormen and conductors' reports, that they are to secure the services of a doctor for but the first visit only, in all cases. That cuts down the doctor's bill. It is a good rule, too. In that case then, where the doctor attends, the bill is sent to the claim department and certified by it, then I notify the doctor by letter that we have attended to his bill and give him the number of the case and put a copy of my dictated letter in the papers and thank him for the interest taken, and so on, and keep in close touch with him in that way, but our claim men are not authorized to employ a physician.

VICE-PRESIDENT WEH:—The next order of business is a paper by Mr. Johnson.

INSTRUCTION OF EMPLOYES IN ACCIDENT WORK.

By F. W. JOHNSON, *Assistant General Claim Agent,*

Philadelphia Rapid Transit Co., Philadelphia, Pa.

In developing the subject of this paper, the speaker will not attempt to enlarge upon the advantages possible from work of this character. Many of the members of the association, doubtless, are working out ideas in this direction, and attention, therefore, will be directed more particularly to a consideration of various methods by means of which instructions of this nature may, to the best advantage, be prepared and imparted to the men on the cars.

Before proceeding to a discussion of the subject-proper of the paper, it is possible that attention may profitably be devoted at this time, to several matters of a nature preliminary to the actual work of instruction.

In considering the matter of instructing employees of street railway companies in the work of preventing accidents, and of the proper handling of accidents, it is well to recognize the fact, first of all, that each step in the work must be governed somewhat by the local conditions surrounding each individual company, and, because of this fact, it oftentimes is advisable to adopt slight changes in the method of procedure, as between one community and another. This minor detail, however, should not be allowed to overshadow the all-important fact that, taken as a whole, the accident situation is much the same the country over.

We find different laws, and different ordinances in different localities, it is true. But, it is equally true that we find the same prejudiced jury in the South that we have to contend with in the North. In whichever direction we travel, we meet with the same old collision of cars; the same old team accidents, and the same old premature starts. The unreported accident and the disinclination of car employees to secure adequate witnesses to their accidents, appear to figure prominently in all quarters.

Thus it is that while local conditions should be given careful consideration in determining the scope and character of the work of instruction, it should also be remembered that the difference between one locality and another, oftentimes will lie rather in a difference in the methods of procedure, than in the fundamental principles of the work.

Hand in hand with the problem—which of the two departments, the claim or the operating—is the better qualified to conduct an educational campaign of this nature, oftentimes travels a fear upon the part of some, that friction may develop between the two departments if the former is allowed to enter upon this work. Such a possibility is supposed to center about a division of authority in the eyes of the employees.

Taking up the first point, the writer for many substantial reasons which lack of space forbids giving in detail, is strongly of the opinion that of the two departments, the claim or accident department is by far the better adapted for the work.

Several observations bearing upon the second point may not be amiss at this time. The possibility of a division of authority in the eyes of the employes is something that must, of course, be avoided. Discipline demands that they should look to but one source for their orders. For this reason, the writer favors the carrying on of the work of instruction by the claim department, through the operating department, so to speak. In other words, though the material is prepared by the claim department, and is imparted to the men on the cars by representatives of the claim department, it should be only the mouthpiece of the operating department, so far as appearances are concerned.

Also, would we touch briefly upon the seeming lack of confidence with which the officials of some companies approach the matter of issuing printed instructions to their employes, governing accident work. This timidity appears most often in an expression of fear that matters of this sort may be brought into court in the trial of damage cases against their company.

The writer has little hesitation in stating that he is of the opinion that this very fear, expressed in this very manner, has proven a very considerable factor in the past in bringing about the extremely unfavorable conditions with which many of these same companies are contending at the present time. It may be good business policy to keep the conductors, motormen and inspectors of a street railway company in the densest ignorance of the best interests of their employers in the handling of accidents, but the writer has yet to be convinced of that fact.

Let the question be asked in all fairness, "What possible injury can be done to a defendant company, taking the situation as a whole, by the introduction of matter of this sort, in the occasional trial of a case in court?" Granting that such a procedure does add a few hundred dollars to a verdict now and then, the injury thus sustained is pitifully insignificant in comparison with the benefits received in other directions.

Let us say, for instance, that a certain company has issued printed instructions to its employes, cautioning them against allowing their cars to collide, or against starting their cars prematurely while passengers are boarding or alighting. What possible injury is to be done to the company's interests if these cautionings are brought into court?

If the facts themselves prove the collision, or the premature start, the damage has already been done, for the liability has then been established.

The worst that can be said of such instructions, if properly compiled, is that they are evidence of a determination upon the part of the company to transport its patrons with as great a degree of safety as possible.

But, it may be argued, it is in the closely contested cases that the introduction of matter of this sort might work to a company's disadvantage. The answer is—"prepare your instructions with this very object in view." "While cautioning your men, so word the instructions that the burden of responsibility, regardless of court decisions, is placed squarely upon the party injured. Make the law fit your instructions, and the average plaintiff's attorney will hesitate somewhat about swinging a double-edged sword of this character before a jury box, for it cuts both ways."

Shoulder what little damage may be inflicted from this direction. You will be getting at the other fellow by a decrease in serious liability accidents; by an encouraging decrease in your unreported accident column; by a gratifying increase in the average number of witnesses secured per accident; and, finally, by a corresponding increase in the number of favorable verdicts in the courts.

But just so long as the street railway company neglects to properly instruct its car men in accident work, then just so long will it continue to qualify its own employes as the innocent tools of designing claimants, and, itself, voluntarily aid and abet the conspiracies of the "shyster" lawyer.

Replying to the suggestion sometimes advanced that work of this character is not practical because of the inferior class of labor with which street railway companies are to-day forced to man their cars, we would state that this very criticism itself, is the strongest possible argument in favor of such work. If the class of men available are illiterate, indifferent or migratory, it is all the more reason why we should at once get down to the work of properly instructing them. We have not observed any material reduction in the size of verdicts of late years, due to juries taking into consideration in their deliberations the unsatisfactory state of the labor market.

Before entering upon the work of instruction, it is well that a general plan of campaign should be mapped out, based upon a thorough knowledge of local conditions and requirements. Such a course will assist materially in securing intelligent, concerted action upon the part of all those engaged in the work.

Also, is the suggestion advanced that the field of action should be restricted somewhat. In other words, study in advance, the weak spots in the company's armor; determine the types of accidents which occur with the greatest frequency, and which are proving the most costly to the company; note the chief weaknesses of your men in their work of handling accidents, and examine the records to ascertain what particular sections of your territory have proven unusually productive of serious accidents in the past.

By keeping to the middle of the road, so to speak, and by concentrating the fire of your batteries upon the more important types of accidents, it doubtless will be found that the men will more readily grasp your ideas, and put them into actual service. In short, do not confuse the mind of the average two-dollar-a-day conductor or motorman by attempting to make a claim agent, surgeon or expert accountant out of him.

Coming to the actual work of instruction, there is presented the choice of placing matter before the men in the form of oral instruction, or of printed instruction, or of making use of both of these means. In determining this point, one should be guided somewhat by his experience of the past, and opinions doubtless will differ somewhat as to the better method to pursue.

The writer, personally, favors the employment of both oral and printed instructions. By means of oral instruction it is possible to reach practically all of the men of a company, some, of course, to a greater degree than others. It must be accepted as a fact, that few conductors or motormen can sit through a good, earnest accident talk without learning something new regarding the handling of accidents. By this method, also, is it possible to drive instructions home to some men whom you could not possibly hope to reach to advantage through the medium of printed instructions alone.

Of the two methods, that of oral instruction unquestionably is the more effective. It positively will gain ground all along the line. But as street railway employes are prone to forget, the problem immediately arises, "How may ground gained by oral instruction be retained?"

Supposing that we consider first, the frequency with which talks of this nature may be advantageously held. Opinions again will differ somewhat upon this point. The suggestion may be advanced, however, that too frequent accident talks must of necessity cover much of the same ground, and will eventually dampen the interest of the men in such meetings. On the larger systems, the writer is of the opinion that two talks a year, to the entire body of employes, will be found sufficient, provided that some method is devised for keeping in touch with the men in the interim. Hold the first talk, for example, late in the spring, after the extra summer men have been broken in and before the heavy summer riding commences. The second talk might be held to advantage during the fall months, before the usual run of winter accidents begin.

On systems of less magnitude, where the employes can more readily be gathered together, it is quite possible that several talks throughout the course of the year could be held to advantage, bearing in mind, however, the suggestion hereinbefore mentioned.

Taking up the matter of printed instructions, the writer strongly favors the employment of this method as a secondary battery, designed expressly for the purpose of holding ground gained by oral instruction. This method affords a means for incessantly pounding

away upon suggestions advanced in the accident talks, and likewise provides an ideal medium for keeping in close touch with the men on the firing line provided up-to-date methods of communication are adopted.

This calls to mind the printed instructions regarding accident work, usually contained in the company rule books. The average rule book is monotonously complete in its details, and if any claim agent fondly imagines that his conductors and motormen are going to sit up late at night, after a hard day's work, faithfully studying the dry, tedious instructions set forth in the depths of these rule books by the aid of tallow candle and dictionary, he is doomed to be disappointed. Accident instructions are, of course, essential to the completeness of a company rule book, but a lot of dry, unwieldy, ponderous regulations of this sort and in this form, leave much to be desired, if one is looking for results.

Necessarily, if printed instructions are to be of material assistance in the work, they should be constructed along live, interesting, up-to-date lines. Instructions that were issued no later than last month to counteract an epidemic of collisions of cars, will not apply to the numerous unreported accidents which we are experiencing this month, nor to the avalanche of premature starts with which we may be inundated next month.

In considering the matter of placing printed instructions in the hands of the men upon the cars, it is possible that a brief description of the issuance of weekly accident bulletins, with which the writer is somewhat familiar, may prove of interest.

The accident bulletins are issued regularly each week, one of them being handed personally to each conductor, motorman and inspector, generally upon pay-day. They are printed upon a good quality of white paper, in good readable type, and are designed with a view to presenting an appearance of neatness and attractiveness.

These bulletins are practicable for almost any line of instruction. They deal entirely with the accident situation, giving advice, suggestions and warnings applicable to the types of accidents occurring during current issues, or which are anticipated during the various seasons. They are couched in short, sharp language, plain and to the point, and, as nearly as possible, are written in the simple, everyday language of the men themselves.

A few timely suggestions governing the issuing of accident bulletins, may prove of assistance to those in search of new ideas along this line.

Write your bulletins on good, broad-gage lines, and in language plain, direct and forceful.

Discard the dry, stilted, rule-book style of getting down to facts.

Avoid sermons, sarcasm, ridicule, disagreeable personalities and dry-rot.

Devote part of your efforts to the work of preventing accidents, and part to the proper handling of accidents.

Be versatile in your choice of subjects, and original in your manner of handling them.

Opening paragraphs should be of sufficient interest to arrest the attention of the reader.

Make the bulletins always optimistic in tone—always working for a still better showing next month.

Drive a single point home solidly, rather than confuse your readers with a number.

Use the bulletin to call attention to serious accidents throughout the country—explaining the cause of the mishap—then follow it right up with your warning.

Cite instances of employes discharged for carelessness or indifferent work—but finish strongly with appreciative words for those who are doing their best for you.

A word of encouragement now and then helps many a man who has been down on his luck to get back onto his feet.

Throw some individuality into your work—your enthusiasm may prove contagious with the men whom you are striving to reach.

Be fair and just in your relations with the men. Remember that it is human nature to feel pleased with a word of commendation in appreciation of particularly faithful work, and never lose sight of the fact that your most powerful allies in the work of preventing accidents, and of the proper handling of accidents, are the well-meaning, hard-working men on your cars.

MR. HARDIN:—I desire to offer a resolution that a vote of thanks be extended to Mr. Johnson for this most excellent paper.

(Motion seconded and duly carried.)

Discussion of Mr. Johnson's Paper.

DR. RYAN:—I think a great deal might be said in regard to this paper. I have the pleasure of saying that “an ounce of prevention is worth a pound of cure,” also that “the proof of the pudding is in the eating.”

Three months ago I started a school of instruction among our men, especially for those men who had an accident during the previous seven days together with the men who had been reported for having done something that they should not have done, such as not making safety stops, running railroad

crossings carelessly, conductors talking to passengers in the front part of their cars while others are alighting, conductors holding their hands on the bell cord when people are getting on and getting off, and a number of such things.

In conjunction with the instruction classes I have a letter which I write to a motorman or conductor concerning information I have gotten from some source about something that he has done that is out of the order of things; I send that letter to him by mail and say "If this information is not correct, I wish you would let me know, with an explanation."

The good result of these instruction classes is beyond our expectation. I feel that we are on the right track. I think that the claim agent of to-morrow is the only man who will be able to reduce the injury and damage account. It is in the prevention of accidents that I speak to-day in corroboration of our friend Johnson's paper, that he is laying out a course for himself that is bound to win for him something that is beyond our comprehension. Most of us are going along in the same plane, but he is stepping just a little beyond, and the suggestions that have been made in the paper mean in five years or ten years that we will look back upon Mr. Johnson and say he has done something that we did not think of before.

MR. HARDIN:—I would like to also say that while I have not tried that, I am glad to know that my friend, the doctor over there, has, and with such excellent results. I knew that my friend Johnson had tried it. I would like to ask this of the doctor; is the discipline of the men in relation to the accident, vested in your hands by the management?

DR. RYAN:—When I started this class of instruction I had a talk with the superintendent and general manager on that very question, and I said to them that at least as I conceived the idea in our town, of the instruction classes that I had the right to give to him the names of the men who needed discipline and that he could then use his own judgment as regards the medicine prescribed. During my talks with the men I try and impress them "that every person is susceptible to mistake but it is the wise man who does not make the same mistake twice." Some accidents are bound to occur. By such talk I

expect to guard against the probability of men not making reports of accidents. In connection with this matter, I want to say that after I had gone on for six or eight weeks I had some difficulty in getting the men back to me again,—the men who had not had accidents. So one evening the men assembled to the number of about three hundred at their meeting place and I put on four pugilistic bouts. It brought the men together, because most of us like such amusement. Before the boxing match I had a talk with them concerning accidents. That is what I expect to do in the future, provide some attraction for them and incidentally give a short talk about the prevention of accidents.

MR. HARDIN:—Do you have a union there?

DR. RYAN:—No, sir.

MR. HARDIN:—How many motormen and conductors do you employ?

DR. RYAN:—About five hundred.

MR. JACKSON:—I want to express the great pleasure I have derived in listening to the paper of Mr. Johnson. I have also been very much interested in the discussion that has followed. I think this is one of the most important subjects that has come up for consideration before this association, and I heartily endorse and approve the plan of verbal instructions.

We know that the motormen and conductors are people who do not come from the best educated class, they come from a stratum of society where they have not the advantages of many of us. When you have them assemble before you in a mass meeting, and have some one go before them and instruct them in detail as to the best method and methods of preventing an accident, that makes an impression upon them that no amount of written instructions that you can get up or devise will have. If you issue a printed book of rules they put them in their pockets but they never look at them. They do not catch the full import and meaning of those instructions. Many of them never look at them at all. I am most heartily in favor of verbal instruction. The personnel of the employes is constantly changing and new men are coming in and taking the places of old men, and therefore it is necessary that you should hold this verbal instruction at frequent intervals to impress it upon them.

Now, another thing against issuing instructions in printed form is this; they often find their way into the hands of the damage claim lawyer. The motorman who has been discharged for some real or fancied grievance, or for the infraction of some real or fancied offense, is ready to turn that set of rules into the hands of some lawyer who prizes it very highly and puts it away and locks it up in his safe where no one can ever get it, and whenever a case is brought to his office he takes it out and looks to see if he cannot make the case fall within some of the rules that have been infraeted, therefore, I say this verbal instruction is the best thing. That is much better than issuing these pamphlets, because if you have it on the bulletin board it is there where he can inspect it from time to time, but he cannot take it away with him; he cannot remember it in detail, however, and therefore, the damage lawyer does not get the benefit of it, if you use it in that way and put it on the bulletin board. I am in favor of this verbal instruction.

MR. JOYCE:—Three years ago when I accepted this position with the Rochester Railway Co., I started a class of instruction for conductors and motormen, which was held on Tuesday and Friday mornings of each week, and I found that men who had been in the service a number of years appreciated it very much, to have some one to explain to them as to what they should do to avoid accidents and direct them in their work in case of accident.

As far as the various departments are concerned the claim department, on our system, is responsible to the general manager and legal department only. The other departments are instructed to do everything they can, when called upon, to assist the claim department. I work closely with all the departments to secure the best possible results. Starters, inspectors, station masters, and division superintendents are fully instructed as to the proper action in case of accident and I find that it has a good effect on both city and interurban lines.

We also have what is known and termed as "Smokers" at each of the stations at different periods, at which time the men are instructed by the master mechanic, the superintendent

of transportation, and the claim agent. I find this has a good effect, is appreciated by the men, and is much better in every way than depending on them to read instructions from books or bulletins.

As far as the rule books are concerned few conductors or motormen know all that is contained therein. Few conductors or motormen, regardless of the system or city, learn all the rule book contains, and it is but a small per cent. that can quote various rules, when called upon to do so, without producing the rule book and reading therefrom. While it is necessary to have rule books, at the same time you can get instructions to the men more forcibly by getting them together and giving them a good, plain talk, telling them what is expected of them and explaining why it is necessary.

As far as interfering with the transportation department is concerned; I have been in the railroad business about thirty years, steam road and trolley line, and it is very easy to work with the transportation department if done in the proper manner. Its members appreciate it and assist with the work, making it better for all. In working closely with the various departments it has the tendency to educate the men, to lessen the number of accidents, and to prevent a great many serious ones.

In regard to physicians, we pay for the first examination when it is made immediately after the accident, regardless of whether or not the physician is one who is termed the company's physician. In case of personal injury quick action is taken to determine cause, liability, and for prompt settlement if liable. I find that by handling what might be termed as outside doctors in a fair way those of good standing will deal fairly with you. In other words do what you can to cultivate friendship with, not only physicians, but the public in general, and you will always be able to secure assistance to down fakers regardless of their calling.

DR. RYAN:—Any of you who are about to start the instruction class will be well pleased if the classes be composed of long and short service men. The older men often make valuable suggestions and have a good effect on the younger men.

MR. HARE:— In relation to the oral instructions I find them the best. In fact, I do not put much dependence on anything but the oral instructions. Now, the line I represent is not a very large one, we have in the neighborhood of three hundred employes. I think I know every man present at the classes; of course, others here cannot say that, because that would be too many on their lines.

I do not call the men together to give them oral instructions. Sometimes I take a day and ride over a line and instruct them as they are standing in the car. A short time ago I took up an entire afternoon riding up and down a certain portion which was dangerous, and I think I was on every car that passed over that line sometime during the afternoon.

Once a month the transportation department issues an order calling the boys together, and I talk to them along with our superintendent of transportation. They have gotten accustomed to it, to such an extent that they look forward to it.

I take pleasure in interesting myself in the men personally. I have many who are friends of mine, who have become friends since they have been employed by the company, and many of them I can go to and they can give me very valuable information. One of them came to me sometime ago, and told me of an accident which had happened, and how it had happened, and he got his information from a conductor who was running the car at the time of the accident, and his statement did not correspond at all with the statement given by the conductor at the time of the accident, so I got to the bottom of it in that way, and I believe that we can ingratiate ourselves into the friendship of the motormen and conductors, giving them personal instructions; they like it.

I find that they feel rather complimented if they are with a lady on the street and I tip my hat to them. I always do that and always have done that. Of course this does not apply in the larger cities, I realize, but it is just my experience in a small place with a small company. What can be done on a small line of course can be done on a larger line to a certain extent, but I do favor the oral instructions. They are valuable, and I have seen many good results from them. We

have been following that plan for about a year and it has done us a wonderful amount of good.

DR. LEMON:— I have a suggestion to make. I won't make it in the shape of a motion because I do not know that it would be altogether a proper thing. I notice the name of this section of the American Street and Interurban Railway Association is the "Claim Agents' Association." It has occurred to me that the name is possibly not altogether a descriptive name, not being sufficiently broad enough its character to embrace all who could possibly with advantage be brought into this meeting.

If it is the sense of the association that gentlemen like myself who are surgeons connected with the claim department and properly credited to this department, by the general manager, and attorneys who are employed by the company in the trial of personal injury claims, or attorneys who are actually claim agents, themselves, that is general claim agents — I dislike that term "Claim Agent" — I do not think it is at all dignified as applied to the head of a large department — it has occurred to me that possibly the name might be changed to "The Claims Department" or something else, leaving out the word "Agent."

I simply offer this as a suggestion and possibly if it is brought to the attention of the executive committee some action might be taken upon it. In this connection I wish to call attention to the fact that the Engineering Association embraces many departments, that of rolling stock, maintenance of way, power plants, electrical engineering as well as civil engineering.

MR. HARDIN:— Mr. President, I think the doctor is right in a large part of what he says, but of course, it is rather a new proposition to us and I would make a motion that the matter be referred to the executive committee, to be taken up by it with the parent body with a view of impressing upon it the possibility and desirability of a change; and in that way, if I can get a second, I would like to have it taken up.

The motion is not that any change be made, because I am sure that the doctor is not sure of his idea now. The thing

is simply to get it before the parent body, and let it decide.

(Motion duly seconded and carried.)

VICE-PRESIDENT WEH:—The next order of business will be the occupying of the chair by the new president, and I will appoint Mr. Rudderow, Mr. Brown, and Mr. Tichenor a committee of three to escort Mr. Goshorn to the chair.

(Messrs. Rudderow, Brown and Tichenor thereupon escorted Mr. Goshorn, president for the ensuing year, to the chair.)

PRESIDENT GOSHORN:—Gentlemen of the convention, I wish to thank you for the honor that you have conferred upon my city and upon the company which I represent.

I believe it is customary in all organizations of this kind, for a new administration to outline a program for the ensuing year and make a lot of promises which sound well, but which too often fail to materialize.

While I would be sorry to disappoint you by failure to promise anything I ask your assistance in making the coming year a notable one in our work. The only promise that I wish to make is that I will do my best to promote our organization and to secure results. This may mean much or little, according to the extent of your cooperation.

You will hear from me during the coming year and I want you to respond heartily and promptly. If there is anything that you think should be done, don't hesitate to speak out. If you have any ideas for the advancement of our work let us have them. Don't be selfish. If it helps you it will doubtless help nearly every other fellow in the business, and if you let me know about it I will see that every member is given the benefit of your idea.

There are many things which should be done but probably the most important to which the attention of this association has been directed is a system for the exchange of records and interchange of information with reference especially to fraudulent claimants. The man who will devise the most simple, practical, comprehensive and least expensive method of doing this will be entitled to the gratitude of the street railway managers of the whole country. It means much to all of them and it is up to the claim men to produce such a plan.

You all have an equal chance to make good. Think it over. Your idea may be the very one that will commend itself, but if you fail to give it expression it can never be known. One of the various systems now in operation may be found to answer our purpose, but your executive committee will consider them, together with any plans proposed by members of our association, as per instructions given yesterday by resolution of this body.

MR. WEH:—Mr. President and members of this association, I also wish to thank the nominating committee as well as the members of the association for the honor which they have seen fit to again bestow upon me by electing me second vice-president. I felt somewhat reluctant in accepting any honors as I did not feel that I had been very active in the past, and had not done very much, not nearly as much as many others here have done in the past year.

However, as I did not seem to have very much voice in the matter and was elected, I assure you I will put forth my best efforts to do what I can to promote the welfare of this association. I might also add, as a reminder to some of the rest of you, that the success of this association does not depend exactly on the officers. I think the individual members can do just as much as anyone else. If there is any claim agents in your locality who are not already members and have not attended these meetings I think it would be a good idea to get them interested. Talk to them about our meetings; the different questions and the interesting papers that are read and discussed, and I have no doubt if every member does that the attendance here can be greatly augmented next year.

MR. HARRISON:—I too wish to thank this body for the honor it has conferred upon Stone & Webster of Boston and my city; I represent one of its companies, as you all know, and it has several scattered throughout the United States. I, like our honored president, am not a speechmaker, and I feel too that it is not bouquets that were thrown at me, but to Stone & Webster and the Jacksonville Electric Co., and for them I thank you for the honor.

I shall do my duty as all claim agents ought to, and at all times try to advance everything that is good for this association.

MR. DORSEY:—I move you that a vote of thanks be extended to Mr. Bradley, our acting president, who was our first vice-president, as well as acting vice-president of the association since Mr. Rhoades' resignation, and that that vote be taken by a rising vote.

MR. HARDIN:—I desire to say that that motion is one that I second with the greatest of pleasure. I have known Mr. Bradley a number of years and I consider him a very conscientious and faithful man and I assure him that it is the sense of every one connected with this association that we appreciate very greatly the benefit we have gotten from him, and thank him sincerely for his help during the past year and the various years he has been with us.

(Motion carried, all rising.)

PRESIDENT GOSHORN:—I have made the following appointments:

Executive Committee—Peter C. Nickel, Claim Agent, New York City Railway Co., New York, N. Y.; Charles B. Hardin, Claim Agent United Railways Co., of St. Louis, St. Louis, Mo.; E. C. Carpenter, Claim Agent, Indiana Union Traction Co., Anderson, Ind.; E. R. Roberts, Claim Agent, Knoxville Railway & Light Co., Knoxville, Tenn.

Employment Committee—B. B. Davis, Claim Adjuster, Columbus Railway & Light Co., Columbus, O.; H. V. Drown, Claim Agent, Public Service Railway Co., Newark, N. J.; T. B. Donnelly, Claim Agent, West Penn Railways Co., Pittsburgh, Pa.

Ways and Means Committee—William Tichenor, Claim Agent, Indianapolis & Eastern Railway Co., Indianapolis, Ind.; M. S. Rausch, Claim Agent, The Milwaukee Electric Railway & Light Co., Milwaukee, Wis.; Louis Liphhardt, Claim Agent, Wheeling Traction Co., Wheeling, W. Va.; H. K. Bennett, Claim Agent, Fitchburg & Leominster Street Railway Co., Fitchburg, Mass.

Sergeant-at-Arms—Sam C. Dorsey, Claim Agent, Denver City Tramway Co., Denver, Colo.

On motion, the convention adjourned, *sine die*.

CONSTITUTION AND BY-LAWS
OF THE
AMERICAN STREET AND INTERURBAN RAILWAY
CLAIM AGENTS' ASSOCIATION.

CONSTITUTION.

Name.

I. The name of this association shall be the "American Street and Interurban Railway Claim Agents' Association," and its office shall be at the place where the secretary resides.

Objects.

II. The objects of this association shall be to bring together those engaged in the claim department of street and interurban railway companies, for the interchange of ideas, and to promote the mutual protection of such companies from fraudulent claims.

Members.

III. The membership of this association shall consist of active members of the American Street and Interurban Railway Association. Each member shall be entitled to one vote, which shall be cast by the properly accredited representative of the claim department.

Amendment.

IV. This constitution may be amended by a two-thirds vote of the members present at a regular meeting, provided the proposed amendment shall have the approval of two-thirds of the executive committee, and provided that a copy shall have been sent to each of the active members of the American Street and Interurban Railway Association at least thirty days prior to the date of the meeting at which the proposed amendment is to be acted upon.

BY-LAWS.

Officers and Executive Committee.

I. The officers shall consist of a president, three vice-presidents, a secretary and treasurer, and four others, who shall constitute the executive committee. The executive committee shall have the entire charge

and management of the affairs of the association. The officers and executive committee shall be elected by ballot at each annual meeting of the association, and shall hold office until their successors shall be elected. They shall hold meetings at the call of the president, or in his absence at the call of the vice-presidents, in their order, and make arrangements for carrying out the objects of the association. The duties of secretary and treasurer shall be performed by the same person. The officers and executive committee shall assume their duties immediately after the close of the meeting at which they are elected. In case of the resignation or death of an officer or a member of the executive committee, the vacancy may be filled, for the unexpired term, by the executive committee.

President.

II. The president shall be the chief executive officer of the association. The president, if present, or in his absence, one of the vice-presidents, in their order, if present, shall preside, at all meetings of the association and of the executive committee, and shall represent this association on the executive committee of the American Street and Interurban Railway Association.

Secretary and Treasurer.

III. The duties of the secretary and treasurer shall be as follows:

- (a) To receive and safely keep all moneys of the association; to keep correct accounts of the same, and to pay all bills approved by the president. He shall make an annual report, to be submitted to the association. He shall give a bond to the president in such a sum and with such sureties as shall be approved by the executive committee. He shall be paid a salary fixed by the executive committee.
- (b) To take minutes of all the proceedings of the association and of the executive committee and to enter them in books kept for the purpose.
- (c) To conduct the correspondence of the association.
- (d) To read minutes and notices at all meetings and to present papers and communications if the authors wish it.
- (e) To collect and file for the benefit of the members information regarding matters relating to the purposes of the association.
- (f) To attend to the publication of the proceedings of this association in connection with the secretary of the American Street and Interurban Railway Association.
- (g) To send notices to all members of the association at least thirty days before each meeting, mentioning papers to be read and any special business to be brought before the meeting.
- (h) To perform such other duties as may be required of him by the constitution and by-laws, and such duties as may be assigned him by the executive committee.

Executive Committee.

IV. (a) The executive committee shall hold a regular meeting before each regular annual meeting of the association, and shall hold such special meetings as may be necessary. Such special meetings may be called by the president or any five members of the executive committee. A majority of the members of the executive committee shall constitute a quorum at all meetings. A vote of the executive committee may be taken by mail when deemed necessary by the president.

(b) The secretary shall give such reasonable notice of all meetings as the committee shall by vote prescribe, and all such notices shall, as far as practicable, specify the business to be brought to the attention of the committee at such meetings.

(c) The executive committee shall present a report to each annual meeting of the association, and shall include in such report the names of the members elected during the year and its recommendations for the future work of the association.

Meetings.

V. Regular annual meetings of this association shall convene at a time and place to be approved by the executive committee. Special meetings may be held upon the order of the executive committee. Notice of every meeting shall be given by the secretary in a circular addressed to the members at least thirty days before the time of the meeting. Ten members shall constitute a quorum at any meeting.

Order of Business.

VI. At the regular annual meeting of the association the order of business shall be:

1. Reading of the minutes of the last meeting.
2. Address of the president.
3. Report of the executive committee.
4. Report of the secretary and treasurer.
5. Reports of special committees.
6. Reading and discussion of papers.
7. General business.
8. Election of officers.

At other general meetings of the association the order of business shall be the same, except as to the third, fourth and eighth clauses.

Voting.

VII. All votes, except as herein otherwise provided, shall be *viva voce*, or by ballot upon the request of any member, and in the case of a tie the presiding officer shall vote.

Reading of Papers.

VIII. All papers read at the meetings of the association must relate to matters connected with the objects of the association, and must have the approval of the executive committee before being read. Persons to whom subjects are assigned must signify in writing their intention to prepare the paper, which is to be forwarded to the secretary at least sixty days previous to the date of the meeting.

Papers, Blanks and Forms.

IX. All papers, blanks and forms submitted to the meetings of the association shall remain the property of the owners, subject, however, to be retained by the executive committee for examination and use, but at the owner's risk.

Rules of Order.

X. All rules not provided for in these by-laws shall be those found in "Roberts' Rules of Order."

Amendment.

XI. Notice of all propositions for adding to or altering any of these by-laws shall be given to the members of the association at least thirty days before the meeting at which they are to be acted upon.

Copy of Constitution and By-Laws.

XII. Each member of the association shall be furnished by the secretary with a copy of the constitution and by-laws of the association and also a list of the members.

MEMBER COMPANIES AND THEIR CLAIM DEPARTMENT OFFICERS.

(Arranged alphabetically according to the names of companies.)

ALBANY & HUDSON RAILROAD Co., Hudson, N. Y.,
William Darbee, General Manager.

ALTOONA & LOGAN VALLEY ELECTRIC RY. Co., Altoona, Pa.,
S. P. Hare, Claim Agent.

ANDERSON TRACTION Co., Anderson, S. C.
W. Elliott, Jr., General Manager.

ANNISTON ELECTRIC & GAS Co., Anniston, Ala.,
H. W. Sexton, General Manager.

ASHEVILLE ELECTRIC Co., Asheville, N. C.,
H. W. Plummer, General Manager.

ATLANTIC COAST ELECTRIC RAILWAY Co., Asbury Park, N. J.,
G. B. Cade, Claim Agent.

ATLANTIC SHORE LINE RAILWAY Co., Kennebunkport, Me.,
W. G. Meloon, General Manager.

AUGUSTA & AIKEN RAILWAY Co., Augusta, Ga.,
E. P. Wetmore, General Manager.

AURORA, ELGIN & CHICAGO RAILROAD Co., Wheaton, Ill.,
H. B. Adams, Claim Agent.

AUSTIN ELECTRIC RAILWAY Co., Austin, Tex.,
W. J. Jones, General Manager.

BANGOR RAILWAY & ELECTRIC Co., Bangor, Me.,
D. F. Snow, Claim Agent.

BAY CITY TRACTION & ELECTRIC Co., Saginaw Mich.,
S. E. Wolff, General Manager.

BEAUMONT TRACTION Co., Beaumont, Tex.,
Frank J. Duffy, Secretary.

BENTON HARBOR-ST. JOE RAILWAY & LIGHT Co.,
Benton Harbor, Mich.,
H. C. Mason, General Manager.

BINGHAMTON RAILWAY Co., Binghamton, N. Y.,
J. P. E. Clark, General Manager.

BIRMINGHAM RAILWAY, LIGHT & POWER Co.,
Birmingham, Ala.,
C. A. Avant, Claim Agent.

BOSTON & MAINE RAILROAD Co.,
(Concord & Manchester Electric Branch, Concord, N. H.)
F. D. Hall, Chief Electrician.

BOSTON & NORTHERN STREET RAILWAY Co., Boston, Mass.,
W. A. Rice, General Claim Agent.

BOSTON & WORCESTER STREET RAILWAY Co., Boston, Mass.,
Guy Murchie, Claim Agent.

BOSTON ELEVATED RAILWAY Co., Boston, Mass.,
Russell A. Sears, General Attorney.

BRIDGETON & MILLVILLE TRACTION Co., Bridgeton, N. J.
B. F. Hires, General Manager.

BROCKTON & PLYMOUTH STREET RAILWAY Co.,
Plymouth, Mass.,
Alba H. Warren, Manager.

BUFFALO & LAKE ERIE TRACTION Co., Buffalo, N. Y.;
M. M. Hedden, Claim Agent.

BUTTE ELECTRIC RAILWAY Co., Butte, Mont.
J. R. Wharton, Manager.

CALUMET ELECTRIC STREET RAILWAY Co., Chicago, Ill.,
Ira M. Cobe, Receiver.

CAMDEN INTERSTATE RAILWAY Co., Huntington, W. Va.,
Thomas McK. Hays, Treasurer.

CAPITAL TRACTION Co., Washington, D. C.,
G. Thos. Dunlop, Claim Agent.

CEDAR RAPIDS & IOWA CITY RAILWAY & LIGHT Co.,
Cedar Rapids, Ia.,
Isaac B. Smith, Secretary.

CENTRAL PENNSYLVANIA TRACTION Co., Harrisburg, Pa.,
C. L. Brinser, Claim Agent.

CHARLESTON CONSOLIDATED RAILWAY, GAS & ELECTRIC Co.,
Charleston, S. C.,
T. B. Hugueuin, Claim Agent.

CHARLOTTE ELECTRIC RAILWAY, LIGHT & POWER Co.,
Charlotte, N. C.,
E. D. Latta, Jr., General Superintendent.

CHICAGO & JOLIET ELECTRIC RAILWAY Co., Joliet, Ill.,
W. H. Heun, Claim Agent.

CHICAGO & MILWAUKEE ELECTRIC RAILROAD Co., Chicago, Ill.,
R. B. Stearns, General Manager.

CHICAGO CITY RAILWAY Co., Chicago, Ill.,
R. S. Rowley, Claim Agent.

CHICAGO UNION TRACTION Co., Chicago, Ill.,
H. C. Bradley, Claim Adjuster.

CHILlicothe ELECTRIC RAILROAD, LIGHT & POWER Co.,
Chillicothe, O.
A. G. Moser, General Manager.

CINCINNATI TRACTION Co., Cincinnati, O.,
J. H. Schoepf, Claim Agent.

CITIZENS' ELECTRIC Co., Eureka Springs, Ark.,
M. D. Jordan, General Manager.

CITIZENS' ELECTRIC STREET RAILWAY Co.,
Newburyport, Mass.,
O. F. Files, Superintendent.

CLEVELAND ELECTRIC RAILWAY Co., Cleveland, O.,
W. F. Weh, Claim Agent.

CLEVELAND, PAINESVILLE & EASTERN RAILROAD Co.,
Willoughby, O.,
John C. Ward, Claim Agent

CLEVELAND, SOUTHWESTERN & COLUMBUS RAILWAY Co.,
Cleveland, O.,
E. F. Schneider, Claim Agent.

COLORADO SPRINGS & INTERURBAN RAILWAY Co.,
Colorado Springs, Colo.,
J. O. Henry, Claim Agent.

COLUMBUS, DELAWARE & MARION RAILWAY Co.,
Columbus, O.,
C. C. Williams, Claim Agent.

COLUMBUS, NEW ALBANY & JOHNSTOWN TRACTION Co.,
Columbus, O.,
L. P. Stephens, General Manager.

COLUMBUS RAILROAD Co., Columbus, Ga.,
Alvah K. Todd, Secretary.

COLUMBUS RAILWAY & LIGHT Co., Columbus, O.,
B. B. Davis, Claim Adjuster.

CONCORD, MAYNARD & HUDSON STREET RAILWAY Co.,
Maynard, Mass.,
John W. Ogden, General Superintendent.

CONNECTICUT COMPANY (THE), New Haven, Conn.,
John G. Parker, Secretary.

CONSOLIDATED RAILWAYS, LIGHT & POWER Co., THE,
Wilmington, N. C.,
W. F. Corbett, Claim Agent.

DALLAS CONSOLIDATED ELECTRIC STREET RAILWAY Co.,
Dallas, Texas,
Edward T. Moore, General Manager.

DANBURY & BETHEL STREET RAILWAY Co., Danbury, Conn.,
M. H. Griffing, Secretary.

DAYTON & TROY ELECTRIC RAILWAY Co., Dayton, O.,
R. A. Crume, General Auditor.

DAYTON & XENIA TRANSIT Co., Dayton O.,
T. A. Ferneding, Superintendent.

DAYTON, COVINGTON & PIQUA TRACTION Co.,
West Milton, O.,
E. C. Spring, Manager.

DE-KALB-SYCAMORE & INTERURBAN TRACTION Co.,
DeKalb, Ill.,
D. Thomson, General Manager.

DENISON & SHERMAN RAILWAY Co., Denison, Tex.,
J. P. Crerar, President.

DENVER CITY TRAMWAY Co., Denver, Colo.,
Sam C. Dorsey, Claim Agent.

DES MOINES CITY RAILWAY Co., Des Moines, Ia.,
R. B. Alberson, Claim Agent.

DETROIT UNITED RAILWAY, Detroit, Mich.,
F. E. Rankin, Claim Agent.

DULUTH STREET RAILWAY Co., Duluth, Minn.,
T. S. Wood, Claim Agent.

EAST LIVERPOOL TRACTION & LIGHT Co. (THE),
East Liverpool, O.,
J. C. Rothery, General Manager.

EASTON TRANSIT Co., Easton, Pa.,
H. R. Fehr, General Manager.

EAST ST. LOUIS & SUBURBAN RAILWAY Co.,
East St. Louis, Ill.,
L. C. Haynes, Vice-President.

EASTERN WISCONSIN RAILWAY & LIGHT Co.,
Fond du Lac, Wis.,
N. C. Draper, General Manager.

ELGIN & BELVIDERE ELECTRIC Co., Chicago, Ill.,
W. L. Arnold, General Manager.

ELMIRA WATER, LIGHT & RAILROAD Co., Elmira, N. Y.,
W. W. Cole, General Manager.

EL PASO ELECTRIC RAILWAY Co., El Paso, Tex.,
W. S. Hunter, Claim Agent

ENID CITY RAILWAY Co., Enid, Okla.,
C. Kline, Superintendent.

ERIE TRACTION Co., Erie, Pa.,
Chas. M. Hatch, Secretary.

EVANSVILLE & EASTERN ELECTRIC RAILWAY,
Evansville, Ind.,
W. L. Sonntag, General Manager.

EVANSVILLE ELECTRIC RAILWAY Co., Evansville, Ind.,
R. R. Smith, General Manager.

FAIRMONT & CLARKSBURG TRACTION Co., Fairmont, W. Va.,
A. J. Purinton, General Manager.

FARMINGTON STREET RAILWAY Co., Hartford, Conn.,
Charles E. Hubbard, General Manager.

FISHKILL ELECTRIC RAILWAY Co., Fishkill-on-Hudson, N. Y.,
John T. Smith, General Manager.

FITCHBURG & LEOMINSTER STREET RAILWAY Co.,
Fitchburg, Mass.,
H. K. Bennett, Claim Agent.

FONDA, JOHNSTOWN & GLOVERSVILLE RAILROAD Co.,
Gloversville, N. Y.,
William H. Hyland, Claim Agent.

FORT WAYNE & SPRINGFIELD RAILWAY Co. (THE),
Decatur, Ind.,
J. C. Lutz, Claim Agent.

FORT WAYNE & WABASH VALLEY TRACTION Co.,
Fort Wayne, Ind.,
F. R. Fahsing, Claim Agent.

FRIES MANUFACTURING & POWER Co. (THE),
Winston-Salem, N. C.,
H. E. Fries, President.

GALESBURG & KEWANEE ELECTRIC RAILWAY Co.,
Kewanee, Ill.,
R. H. Hayward, General Manager.

GALVESTON ELECTRIC CO., Galveston, Tex.,
H. S. Cooper, General Manager.

GARDNER, WESTMINSTER & FITCHBURG STREET RAILROAD CO.,
Gardner, Mass.,
W. R. Dame, Assistant Treasurer.

GEORGIA RAILWAY & ELECTRIC CO., Atlanta, Ga.,
C. H. Mathews, Claim Agent.

GRAND RAPIDS, HOLLAND & CHICAGO RAILWAY CO.,
Holland, Mich.,
Strathearn Hendrie, General Manager.

GRAND RAPIDS RAILWAY CO., Grand Rapids, Mich.,
F. M. Webster, Claim Agent.

GREAT FALLS STREET RAILWAY CO., Great Falls, Mont.,
E. I. Holland, General Manager.

GROTON & STONINGTON STREET RAILWAY CO., Mystic, Conn.,
C. W. Comstock, Claim Agent.

HARTFORD & SPRINGFIELD STREET RAILWAY CO.,
Warehouse Point, Conn.,
H. S. Newton, General Manager.

HELENA LIGHT & RAILWAY CO., Helena, Mont.,
C. E. A. Carr, General Manager.

HOUGHTON COUNTY STREET RAILWAY CO., Houghton, Mich.,
W. H. McGrath, Manager.

HOUSTON ELECTRIC CO., Houston, Tex.,
M. D. Fields, Claim Agent.

ILLINOIS CENTRAL TRACTION CO., Decatur, Ill.,
George W. Burton, Claim Agent.

INDIANA, COLUMBUS & EASTERN TRACTION CO.,
Cincinnati, O.,
J. L. Adams, Manager.

INDIANA UNION TRACTION Co., Anderson, Ind.,
E. C. Carpenter, Claim Agent.

INDIANAPOLIS & CINCINNATI TRACTION CO., Indianapolis, Ind.,
Wm. M. Frazee, Claim Agent.

INDIANAPOLIS, COLUMBUS & SOUTHERN TRACTION CO.,
Columbus, Ind.,
R. O. Boyer, Claim Agent.

INDIANAPOLIS TRACTION & TERMINAL Co., Indianapolis, Ind.,
George W. Bruce, Claim Agent.

INTERNATIONAL RAILWAY Co., Buffalo, N. Y.,
A. J. Farrell, Claim Agent.

INTER-URBAN RAILWAY Co., Des Moines, Ia.,
C. M. Gladson, Claim Agent.

IOWA & ILLINOIS RAILWAY Co., Clinton, Iowa.,
P. P. Crafts, General Manager.

JACKSON CONSOLIDATED TRACTION Co., Jackson, Mich.,
J. P. Clark, General Manager.

JACKSON ELECTRIC RAILWAY, LIGHT & POWER Co.,
Jackson, Miss.,
F. G. Proutt, General Manager.

JACKSONVILLE ELECTRIC Co., Jacksonville, Fla.,
J. S. Harrison, Claim Agent.

JOLIET & SOUTHERN TRACTION Co., Joliet, Ill.,
H. A. Fisher, General Manager.

JOPLIN & PITTSBURG RAILWAY Co., Pittsburg, Kans.,
P. P. Crafts, General Manager.

KANSAS CITY RAILWAY & LIGHT Co., Kansas City, Mo.,
W. A. Satterlee, Claim Agent.

KANSAS CITY-WESTERN RAILWAY Co. (THE),
Leavenworth, Kan.,
J. W. Richardson, General Superintendent.

KENNETH & COATESVILLE RAILROAD Co., Kennett Square, Pa.,
G. H. Dodge, Treasurer.

KINGSTON CONSOLIDATED RAILROAD Co., Kingston, N. Y.
John Braun, Claim Agent.

KNOXVILLE RAILWAY & LIGHT Co., Knoxville, Tenn.,
E. R. Roberts, Claim Agent.

KOKOMO, MARION & WESTERN TRACTION Co., Kokomo, Ind.,
H. P. Martzolf, Superintendent Transportation.

LAKE SHORE ELECTRIC RAILWAY Co., Norwalk, O.,
Harry Rimelspach, Claim Agent.

LAREDO ELECTRIC & RAILWAY Co. (THE), Laredo, Tex.,
Frank E. Scovill, General Manager.

LAS VEGAS RAILWAY & POWER Co., Las. Vegas, N. Mex.,
Wm. A. Buddecke, President.

LEHIGH TRACTION Co., Hazelton, Pa.,
S. E. Jones, Claim Agent.

LEHIGH VALLEY TRANSIT Co., Allentown, Pa.,
R. H. Schoenen, Claim Agent.

LEVIS COUNTY RAILWAY, Levis, Que.,
H. H. Morse, General Manager.

LEXINGTON RAILWAY Co., Lexington, Ky.,
R. C. Stoll, Claim Agent.

LIMA & TOLEDO TRACTION Co., Lima, O.,
F. T. Hepburn, General Manager.

LITTLE ROCK RAILWAY & ELECTRIC Co., Little Rock, Ark.,
D. A. Hegarty, General Manager.

LONG ISLAND CONSOLIDATED ELECTRICAL Cos.,
Long Island City, N. Y.,
Jos. F. Keaney, Claim Agent.

LORRAINE ELECTRIC RAILWAY Co., Baltimore, Md.
James M. Blackburn, Secretary.

LOUISVILLE & EASTERN RAILROAD Co., Louisville, Ky.,
Geo. Law, Superintendent Transportation.

LOUISVILLE & SOUTHERN INDIANA TRACTION Co.,
New Albany, Ind.
Chas. B. Scott, Claim Agent.

LOUISVILLE RAILWAY Co., Louisville, Ky.,
J. T. Funk, Claim Agent.

LYNCHBURG TRACTION & LIGHT Co., Lynchburg, Va.,
R. D. Apperson, President.

MAHONING & SHENANGO RAILWAY & LIGHT Co.,
New Castle, Pa.,
M. E. McCaskey, Second Vice-President.

MANILA ELECTRIC RAILROAD & LIGHT Co., Manila, P. I.,
J. G. White & Co., 43 Exchange Place, New York, N. Y.

MASON CITY & CLEAR LAKE RAILWAY Co., Mason City, Ia.,
W. E. Brice, Treasurer and Manager.

MEMPHIS STREET RAILWAY Co., Memphis, Tenn.,
C. B. Proctor, Claim Agent.

MENOMINEE & MARINETTE LIGHT & TRACTION CO.,
Menominee, Mich.,
Edward Daniell, Secretary.

MERIDIAN LIGHT & RAILWAY CO., Meridian, Miss.,
C. M. Wright, Claim Agent.

MEXICO ELECTRIC TRAMWAYS, LIMITED, City of Mexico, Mex.,
Harro Harrsen, General Manager.

MICHIGAN UNITED RAILWAYS CO., Lansing, Mich.,
M. J. Hobin, Claim Agent.

MILFORD & UXBRIDGE STREET RAILWAY CO., Milford, Mass.,
Wendell Williams, Claim Agent.

MILLVILLE TRACTION CO., Millville, N. J.,
Daniel C. Lewis, Treasurer.

MILWAUKEE ELECTRIC RAILWAY & LIGHT CO. (THE),
Milwaukee, Wis.,
M. S. Rausch, Claim Agent.

MOBILE LIGHT & RAILROAD CO., Mobile, Ala.
R. W. Jones, Jr., Claim Agent.

MONTRÉAL STREET RAILWAY CO., Montreal, Que.,
Patrick Dubee, Secretary.

NAHANT & LYNN STREET RAILWAY CO., Lynn, Mass.,
Clifton Colburn, Treasurer.

NASHVILLE RAILWAY & LIGHT CO., Nashville, Tenn.,
Kinney Harmon, Claim Agent.

NEW HAMPSHIRE ELECTRIC RAILWAYS, Haverhill, Mass.,
E. S. Ellis, Claim Agent.

NEW JERSEY & HUDSON RIVER RAILWAY & FERRY CO.,
Edgewater, N. J.,
F. W. Bacon, General Manager.

NEW ORLEANS RAILWAY & LIGHT Co., New Orleans, La.,
W. H. Renaud, Jr., Claim Agent.

NEWPORT NEWS & OLD POINT RAILWAY & ELECTRIC Co.,
Hampton, Va.,
Franz von Schilling, Auditor.

NEWTON & BOSTON STREET RAILWAY Co., Newtonville, Mass.,
Matthew C. Brush, General Manager.

NEW YORK & PORT CHESTER RAILROAD Co.,
New York, N. Y.,
James J. Reilly, Secretary.

NEW YORK & QUEENS COUNTY RAILWAY Co.,
New York, N. Y.,
John T. Bray, Claim Agent.

NEW YORK CITY RAILWAY Co., New York, N. Y.,
P. C. Nickel, Claim Agent.

NORFOLK & PORTSMOUTH TRACTION Co., Norfolk, Va.,
Geo. B. Bryan, Claim Agent.

NORTHAMPTON TRACTION Co., Easton, Pa.,
D. L. Beaulieu, General Superintendent.

NORTHERN INDIANA RAILWAY Co., South Bend, Ind.,
J. McM. Smith, General Manager.

NORTHERN OHIO TRACTION & LIGHT Co., Akron, O.,
T. W. Wakeman, Claim Agent.

NORTHERN TEXAS TRACTION Co., Fort Worth, Tex.,
W. C. Forbess, Claim Agent.

OHIO RIVER ELECTRIC RAILWAY & POWER Co., Pomeroy, O.,
John B. McAfee, General Manager.

OKLAHOMA CITY RAILWAY Co., Oklahoma City, Okla.,
H. M. Brauer, Secretary.

OLYMPIA LIGHT & POWER Co., Olympia, Wash.,
L. B. Faulkner, General Manager.

OMAHA & COUNCIL BLUFFS STREET RAILWAY Co.,
Omaha, Neb.,
A. W. Gross, Claim Agent.

OMAHA, LINCOLN & BEATRICE RAILWAY Co., Lincoln, Neb.,
E. C. Hurd, Secretary.

OTTAWA ELECTRIC RAILWAY Co., Ottawa, Ont.,
J. D. Fraser, Secretary.

Owosso & CORUNNA ELECTRIC Co., Owosso, Mich.,
Lawrence Manning, General Manager.

PACIFIC TRACTION Co., Tacoma, Wash.,
E. J. Felt, Treasurer.

PADUCAH TRACTION Co., INC. (THE), Paducah, Ky.,
John S. Bleecker, Claim Agent.

PENSACOLA ELECTRIC Co., Pensacola, Fla.,
O. J. Semmes, Claim Agent.

PEOPLES' RAILWAY Co. (THE), Dayton, O.,
V. R. Powell, Claim Agent.

PETALUMA & SANTA ROSA RAILWAY Co., Petaluma, Cal.,
E. M. Van Frank, General Manager.

PETERBOROUGH RADIAL RAILWAY Co. (THE),
Peterborough, Ont.,
J. H. Larmonth, General Manager.

PHILADELPHIA & WEST CHESTER TRACTION CO.,
Philadelphia, Pa.,
H. Hayes Aikens, Secretary.

PHILADELPHIA & WESTERN RAILWAY CO., Philadelphia, Pa.,
W. H. Simms, General Superintendent.

PHILADELPHIA RAPID TRANSIT CO., Philadelphia, Pa.,
H. R. Goshorn, General Claim Agent.

PITTSBURG & BUTLER STREET RAILWAY CO., Butler, Pa.,
W. H. Pape, General Manager.

PORLAND RAILROAD CO., Portland, Me.,
E. A. Newman, General Manager.

PORLAND RAILWAY CO., Portland, Ore.,
E. E. Mallory, Claim Agent.

PORLSMOUTH, DOVER & YORK STREET RAILWAY CO.,
Portsmouth, N. H.,
W. G. Meloon, General Manager.

POTTSVILLE UNION TRACTION CO., Pottsville, Pa.,
T. J. Evans, Claim Agent.

**POUGHKEEPSIE CITY & WAPPINGERS FALLS ELECTRIC
RAILWAY CO.,** Poughkeepsie, N. Y.,
J. W. Hinckley, Jr., President.

PROVIDENCE & DANIELSON RAILWAY CO., Providence, R. I.,
D. F. Sherman, President.

PUBLIC SERVICE RAILWAY CO., Newark, N. J.,
H. V. Drown, General Claim Agent.

PUEBLO & SUBURBAN TRACTION & LIGHTING CO. (THE),
Pueblo, Colo.,
H. P. Voris, Claim Agent.

QUINCY HORSE RAILWAY & CARRYING CO., Quincy, Ill.,
H. E. Chubbuck, General Manager.

RALEIGH ELECTRIC CO., Raleigh, N. C.,
H. H. Carr, General Manager.

RHODE ISLAND CO. (THE), Providence, R. I.,
H. D. Briggs, Claim Agent.

RICHMOND & PETERSBURG ELEC. RY. CO., Richmond, Va.,
F. W. Mulford, Claim Agent.

RICHMOND LIGHT & RAILROAD CO., New Brighton, N. Y.,
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